

STATE OF MONTANA
DEPARTMENT OF COMMERCE
MONTANA COAL BOARD

TRANSCRIPT OF THE ELECTRONICALLY RECORDED
COAL BOARD MEETING

March 22, 2018

Held at Big Horn Resort
1801 Majestic Lane
Billings, Montana

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1 WHEREUPON, the following proceedings were had:

2 CHAIRMAN WILLIAMS: Okay. As we, as we talk we
3 need to press, everybody. And make sure everybody
4 (inaudible) in, please. And there's copies of the agenda
5 on the back of the room, so I invite you to, to take a
6 look at the processes that, that we have in place
7 (inaudible).

8 I will call the meeting to order and ask for a roll
9 call, please.

10 MS. PICHETTE: Chairman Williams.

11 CHAIRMAN WILLIAMS: Here.

12 MS. PICHETTE: Vice-Chair Fitzpatrick.

13 VICE-CHAIR FITZPATRICK: Here.

14 MS. PICHETTE: Shawn Fredrickson.

15 Shawn, if you're on the phone, you may have to hit the
16 star button and then the 2 to unmute your phone.

17 BOARD MEMBER FREDRICKSON: Thanks, Anne. I'm
18 here.

19 MS. PICHETTE: Thank you, Shawn.

20 Amber Henning.

21 BOARD MEMBER HENNING: Here.

22 MS. PICHETTE: Marianne Roose.

23 Marianne, if you're on the phone, the same for you,
24 star-2 will unmute your phone and we'll be able to hear
25 you.

1 Tim Schaff.

2 BOARD MEMBER SCHAFF: Here.

3 MS. PICHETTE: Veronica Small-Eastman.

4 BOARD MEMBER SMALL-EASTMAN: Here.

5 MS. PICHETTE: Marianne, are you on? Did you get
6 your phone unmuted?

7 CHAIRMAN WILLIAMS: Okay. Thank you.

8 I would like to welcome John Mueller, who is our
9 administrative assistant, a new employee with the
10 Department of Commerce, and also Amber Henning to my left.
11 Amber is a new board member. She's an attorney. And so
12 we have a full slate of, of board members. And I'd like
13 to welcome John and Amber.

14 BOARD MEMBER HENNING: Thank you, Mr. Chairman.
15 Glad to be here.

16 CHAIRMAN WILLIAMS: Thank you.

17 Okay. On, on our agenda, we're going to -- A little
18 different process with the agenda. And it's, it's an
19 opportunity to, to involve the public more into the
20 process. And after every item that, that -- on the
21 agenda, we'll give the public an opportunity to comment on
22 those particular items.

23 I will ask that as we, as we open this up for the
24 opportunity for public comment, the first opportunity is
25 for items that are not on the agenda. But I will give

1 everybody an opportunity as we approach the agenda items
2 for you to comment on. But the first public participation
3 is for items that are not on the agenda. So I welcome all
4 of your comments as we go through the process. It's a
5 very important process to be very -- very open with the
6 discussions so that you hear the discussions that occur
7 both on the Board and we also have the opportunity to hear
8 the discussions and the comments from you, the public that
9 we are serving. So thank you for being here this morning.

10 I would also ask all of the Board to please direct
11 your comments through myself, and I will give every board
12 member the opportunity to comment on issues that are
13 before us.

14 So the first item that we have is an opportunity for
15 public comment on items not on the agenda. So I welcome
16 the public to make comments to myself and the Board.

17 MR. ATCHISON: Thank you, Mr. Chairman, Members
18 of the Coal Board. For the record, I'm Jim Atchison with
19 Southeastern Montana Development. And Mr. Chairman, I
20 have a couple things to share with the, the Coal Board
21 today and then a couple handouts.

22 And first of all, I have the new 2018 Coal Council
23 brochure, which is full of facts and figures on the coal
24 industry in Montana, fairly up to date -- well, about
25 two weeks old, so it's right off the press. Like I said,

1 lots of facts and figures, and I will hand that out later,
2 if I could, Mr. Chairman.

3 And also, I wanted to also share with the Coal Board
4 numerous meetings going on and, and workshops and
5 conferences coming up in, in, a lot of them are in
6 Billings. April 6th, the Wheeler Center is sponsoring the
7 Future of Coal Forum right here in Billings. I don't have
8 the contact information, but you can find that.

9 April 18th and 19th is the Coal Reliant Communities
10 workshop, hosted by NATO and the federal EDA
11 Administration right here in Billings. That's April 18th
12 and 19th. And some of you that are in the room that
13 participated or attended the Denver conference last year,
14 it was well worth the free admission; absolutely fantastic
15 conference, especially those of us that are being impacted
16 in these smaller rural communities by coal impact. I
17 would highly encourage that one.

18 May 30th and 31st, Senator Daines's Energy Summit will
19 be here in Billings as well.

20 And later on in August, August 16th and 17th, we, our
21 organization is hosting the 15th Annual Energy Open
22 Conference and Golf Tournament. And of course, our slogan
23 is Showcasing the Economic Benefits of Responsible Energy
24 Development. And we've been hosting that for 15 years
25 now. So if you can take that in, it would be well worth

1 it.

2 And Mr. Chairman, I do have handouts, if I could share
3 those.

4 CHAIRMAN WILLIAMS: Sure. Please.

5 MR. ATCHISON: Okay. Thank you.

6 CHAIRMAN WILLIAMS: Thank you.

7 MR. GERKE: Mr. Chairman, Members of the
8 Coal Board, for the record, my name is Dennis Gerke,
9 superintendent, Hardin Public Schools. I'll be brief.

10 I just want to take a moment to brag a little bit
11 about our boys' basketball team, who won their first
12 Class A Boys' State Championship in 21 years. And I'd
13 just like to share that with the Board and maybe make a
14 couple comments about Vice-Chair Fitzpatrick. You know,
15 he told me that he coached some of these kids that were on
16 the team when they were in the intermediate school, and I
17 know he coached some of those kids and he's done it for
18 about 20 years. But I can say this for sure: Thank
19 goodness he did not teach them how to shoot.

20 So with that, thank you for the opportunity.

21 CHAIRMAN WILLIAMS: Thank you. And
22 congratulations.

23 MS. BAILEY: Mr. Chairman, Coal Board Members,
24 for the record, I'm Kathie Bailey with Snowy Mountain
25 Development Corporation. I've been coming to these

1 Coal Board meetings for over 17 years now, along with the
2 legislative testimony, and it's been kind of quite a ride
3 to see the changes. And I do want to say that I probably
4 have not been more disheartened than I am right now, but I
5 want you to know, as Coal Board Members, how much we
6 really appreciate the work that you're doing and the
7 impact that you're having in our communities.

8 Our rural communities that are impacted by coal have
9 significant needs, and it's infrastructure needs, it's
10 social services needs, it's educational needs, a huge
11 litany of needs. And we really appreciate the resources
12 that we get from the Coal Board. They are critical, and
13 they are very important to us.

14 In the past, I've asked for the finances so that we
15 could look and see what's happened over the years, and I
16 did not find them online, but I do see there is one in the
17 book in the back. And I would hope that maybe either we
18 could upload that so that we could have copies of that or
19 it could be emailed out to us that are interested
20 especially in that aspect of it. I would greatly
21 appreciate it. I couldn't see very well this morning with
22 my little tiny print and my glasses. Yeah.

23 And the other thing, I was wondering if I could ask if
24 you would use our testimony as verbatim in the minutes
25 rather than a synopsis of what we say. There have -- it

1 is -- it does leave it open for interpretation, and I'm
2 concerned that maybe our, our testimony is not always
3 interpreted as we said it. So I would hope you would
4 consider doing our actual testimony in your minutes.

5 Again, thank you guys for all that you do. We really
6 appreciate it.

7 CHAIRMAN WILLIAMS: Thank you.

8 COMMISSIONER BERRY: Mr. Chair, Members of the
9 Board -- woops don't knock that over -- Commissioner
10 Berry, Musselshell County. I'm not going to talk about
11 any specific grants, per your request, but I am just going
12 to talk a little bit about the direction that the Board
13 and the requests for grants is taking.

14 There is several requests for large grants, and
15 Musselshell County has also requested some large grants in
16 the past. But what I am saying, I don't see the
17 participation from the applicants that we have in the
18 past. For example, Musselshell Schools has got \$500,000
19 for their, their schools, but we've also passed a
20 \$10 million bond issue. I think it's something like that.
21 Maybe Member, Mr. Schaff would -- but -- So yes.

22 And so that's what I'm saying. I'm seeing some of
23 these large grants come through, but where is the
24 participation from the participant? We -- I feel that on
25 these large grants, there should be more participation

1 from the applicant, not just coming to the Coal Board for
2 the majority of the grant. And I see a direction that is
3 going through the Coal Board now, and I think it's the
4 wrong direction.

5 Our coal countries are mostly rural countries, and we
6 have a lot of problems with public safety. And the public
7 safety is things like our roads, road graders or gravel
8 hauling trucks and things like that, fire trucks, police
9 vehicles. And those particular items are usually not real
10 large grant requests and we don't have a participation
11 there but is actual needs for the coal counties for public
12 safety.

13 And so I just want to summarize by saying I really do
14 kind of question the, the direction that the Board is
15 going or else the requests to the Board, and I'd like to
16 have the Board really take a hard look at these requests
17 and also some participation on some of these requests.

18 Thank you very much.

19 CHAIRMAN WILLIAMS: Thank you, Mr. Berry. One --
20 just a comment on, on that. When you're talking about
21 participation, I'm going to figure that you're indicating
22 the degree of local effort in meeting those needs?

23 Thank you.

24 Other comments from the public, please.

25 MS. SMALL-PLenty: Good morning, Mr. Chair and

1 Board Members. My name is Paula Small-Plenty. I'm just
2 giving an update on two open projects that we have through
3 Big Horn Hospital and Heritage Acres in Hardin.

4 Our nurse's station program which was approved in June
5 of 2017, we are in the midst of construction as we speak,
6 with a completion date of April 19th. And that is on
7 schedule and progressing nicely. Our other project that
8 was approved in December of 2016 was an elevator
9 modernization to two elevators that we have at the
10 Heritage Acres property. We will be starting that project
11 August 1st, with a six-week completion deadline. And so
12 hopefully by your September meeting, we'll have completion
13 reports for both of those projects.

14 Like your previous speakers, I again want to thank you
15 for the work that you guys do. We do appreciate it. And
16 with our projects, we do try to have a local
17 participation, either through our county or our hospital
18 association. So thank you.

19 CHAIRMAN WILLIAMS: Thank you. Thank you for the
20 update.

21 Other comments?

22 Okay. Thank you for those comments.

23 The next item on the agenda is the approval of the
24 minutes from the January the 18th, 2018, and February
25 the 9th, 2018 meetings. And this is also an opportunity

1 for any comments that the public may have on -- regarding
2 those minutes. And you heard Kathie Bailey's comments on
3 that. I don't know if we can do it verbatim, but we'll
4 consider that. The staff can consider that, see what we
5 could do to further expand --

6 MS. OLSON: Mr. Chairman. Excuse me,
7 Mr. Chairman. We also have -- Because the last Coal Board
8 meeting we actually didn't have John on board yet and Amy
9 had left, we do have a transcript available that we're
10 happy to post online as well.

11 CHAIRMAN WILLIAMS: Okay. Thank you.

12 Any comments?

13 A motion to approve the minutes from the Board?

14 BOARD MEMBER SCHAFF: So moved.

15 CHAIRMAN WILLIAMS: And second?

16 A BOARD MEMBER: Second.

17 CHAIRMAN WILLIAMS: It's been moved and seconded.
18 Discussion from the Board.

19 Any other discussion?

20 Roll call vote, please.

21 MS. PICHETTE: Vice-Chair Fitzpatrick.

22 VICE-CHAIR FITZPATRICK: Yes.

23 MS. PICHETTE: Shawn Fredrickson.

24 BOARD MEMBER FREDRICKSON: Yes.

25 MS. PICHETTE: Shawn, you may have to unmute your

1 phone again. Star-2.

2 BOARD MEMBER FREDRICKSON: Yes. Can you hear me?

3 MS. PICHETTE: We can. Thank you very much. Did
4 you hear the motion to approve the minutes?

5 BOARD MEMBER FREDRICKSON: Yes.

6 MS. PICHETTE: And is your -- what is your vote?

7 BOARD MEMBER FREDRICKSON: To approve the
8 minutes.

9 MS. PICHETTE: Thank you.

10 Amber Henning.

11 BOARD MEMBER HENNING: Yes.

12 MS. PICHETTE: Marianne Roose.

13 Marianne, we think we heard you join the call. If
14 you're on the call, we're doing roll call vote on the
15 approval of the minutes. You will need to hit the star
16 button and the 2 button to unmute your phone so we can
17 hear you.

18 Marianne, we'll come back to you.

19 Tim Schaff.

20 BOARD MEMBER SCHAFF: Yes.

21 MS. PICHETTE: Veronica Small-Eastman.

22 BOARD MEMBER SMALL-EASTMAN: Yes.

23 MS. PICHETTE: Chairman Williams.

24 CHAIRMAN WILLIAMS: Yes.

25 MS. PICHETTE: Marianne Roose, are you on the

1 call?

2 CHAIRMAN WILLIAMS: Thank you. The minutes are
3 approved.

4 Okay. Project updates.

5 Budget status update, please.

6 MS. OLSON: Thank you, Mr. Chairman. I
7 actually -- there's information in your packet, but I also
8 have an updated, some other information that I'd like to
9 present to the Board so that way you have a better
10 understanding of our budget update. I think I have the
11 tickle in my throat that someone else had.

12 At any rate, if you'd turn to your tab Budget and
13 Project Update. As previously requested at the last board
14 meeting, the Board asked for a revenue history. That's
15 provided in your binder. And then also, under the
16 Applications for Consideration, you'll see that there are
17 two budgetary updates. One shows December 2017. That's
18 because they're all of those projects that are tabled from
19 the scheduled December meeting that was rescheduled to
20 January. And then also, we have the applications for
21 consideration which is March 2018. So I'll be using the
22 March 2018 to begin our budgetary discussion.

23 As you might recall, House Bill 209 that was passed
24 during the 2017 Legislature for the 2019 biennium
25 established an appropriation of \$6,822,204. And that

1 appropriation is broken up into two fiscal years:
2 Fiscal Year 2018, with the maximum appropriation available
3 of \$3,403,336; with federal -- or, excuse me, with
4 Fiscal Year 2019 appropriation being \$3,418,868. So the
5 combination of those two fiscal years equals your total
6 biennial appropriation of the \$6.8 million.

7 The revenue that has been available to date is
8 \$1,970,962.22. I'm going to flip you back to the revenue
9 history to explain where we're getting that number from.
10 So as you can see, this chart shows you revenue history
11 that has been coming into the Coal Natural Resource
12 Account as coal proceeds come into the state back all the
13 way to 2007. And I will point you to the last barred
14 chart at the very bottom of the page, because that's our
15 current fiscal year, 2018, that we're in and also shows
16 the current updated revenue amount.

17 So as you can see, since July of 2017 through February
18 of 2018, the Board -- Coal Natural Resource Account that
19 the Board has access to has received \$1,970,962.22. So
20 that's the revenue that we're talking about, not to be
21 confused with the appropriation, which is the ceiling.
22 That's what's been appropriated to you.

23 And we've had some discussions -- Department of
24 Revenue came last time and talked about why there is
25 reversals of the accrual. But I'm happy to answer any

1 questions about that.

2 So I want to point you to the handout that I just had,
3 to go through a little bit more information. So as you
4 can see, as you can see, what we're doing is trying to
5 link those two together so that it helps provide a more
6 clear picture to you of what that budget appropriation,
7 revenue available, cash-on-hand available comes to. And
8 if you go back to this Applications for Consideration, we
9 have to consider that the Board has already made, for this
10 fiscal year, project awards of \$2,805,640. So when you
11 take that away from the revenue available of the 1.9, that
12 leaves us in a shortage of \$834,000 of available revenue
13 to contract those projects.

14 So let's look at our spreadsheet. I'm going to walk
15 through this. But the first column is -- or the first
16 section is talking about cash and estimated revenues, and
17 I want to point out estimated revenues. We don't know
18 what the rest of the fiscal year looks like, so we can
19 only estimate what that's going to be. So we've used the
20 2017 fiscal year as a gauge for what those months that
21 haven't received revenue will look like.

22 So right now we have cash in the account of
23 \$5,530,816. The estimated revenue, meaning the last
24 months of this fiscal year that we haven't received
25 funding for yet -- of course, coal proceeds will continue

1 to come in and then that interest will come down into the
2 Coal Natural Resource Account -- is estimated at
3 \$1,274,938. Of course, that can fluctuate. It can
4 increase or decrease or approximately be the same. But we
5 don't do estimation of those revenue flow that comes into
6 the account. That's really Department of Revenue's job.
7 So our estimate is based off of what we saw last year. So
8 that's the best tool that we have. So the total amount of
9 cash plus the estimated revenues would equal about
10 \$6,805,754.

11 So the next section talks about what our obligated
12 accrual amounts are. So these would be -- what our
13 accrual balance is would be those projects that haven't
14 expended all of their dollars but have been awarded
15 contracts and funds through the Coal Board, so they're
16 obligated expenses, as well as anything that would have
17 been accrued. So those are the first two lines that make
18 up that \$3,478,023, as well as the outstanding Fiscal
19 Year '18 contracts that have been awarded this -- by the
20 Coal Board just now during this fiscal year of the
21 \$2,805,640.

22 So basically what we're saying is we're taking a look
23 at everything that has happened in previous biennium and
24 previous fiscal year and we're adding it to the current
25 fiscal year obligation, because those have already been

1 awarded, and that's how we come up with those two numbers.

2 Then, of course, we have pending applications. And so
3 if you look, we actually have a total of requests of about
4 approximately \$1.6 million of pending applications. We
5 can get into those details. And then -- but the pending
6 applications are really, are really limited by the amount
7 of appropriation. So what you'll see there is that
8 there's a number, 597,696, so \$597,696. That is the
9 amount that would be hitting the ceiling of this fiscal
10 year's appropriation.

11 Let me say it a different way. Of the amount of funds
12 that have been awarded to the Coal Board projects this
13 fiscal year, that \$2.8 million, there is a balance of
14 \$597,000 before you hit your appropriation ceiling.

15 CHAIRMAN WILLIAMS: Jennifer, just -- if I --

16 MS. OLSON: Yes.

17 CHAIRMAN WILLIAMS: Okay. So what we have
18 awarded to date is \$2,805,640, awarded to date. Available
19 appropriation for the remainder of this year is \$597,696.

20 MS. OLSON: That's correct.

21 CHAIRMAN WILLIAMS: That's available
22 appropriation. It's not available funds. Available
23 appropriation. So if the Board were to make awards, we
24 cannot exceed that number.

25 MS. OLSON: So if the Board were to make awards

1 in excess of \$597,696, you're essentially looking at the
2 next fiscal year, and you haven't reached that fiscal year
3 yet.

4 CHAIRMAN WILLIAMS: So --

5 MS. OLSON: Additionally, you haven't had, even
6 had a drop of, a single penny of revenue come in for the
7 next fiscal year.

8 CHAIRMAN WILLIAMS: Right. So that's something
9 for the Board to try to think on as we move into the
10 process of those applications that have been tabled and
11 the new applications that are before us and the unknown
12 applications that may occur in June.

13 MS. OLSON: That is correct.

14 CHAIRMAN WILLIAMS: Correct?

15 MS. OLSON: That's correct.

16 CHAIRMAN WILLIAMS: Thank you.

17 MS. OLSON: So then this -- the coal Natural
18 Resource Account is also where we get the administrative
19 costs that the Department of Commerce provides as support
20 for the Board. So how do we draw funds, how do we make
21 sure that all of the processes, all of this magic happens?
22 That's these fine folks here and over there. That admin
23 cost actually only pays for two FTE, I should say, so
24 that's really just John and Anne.

25 But there's a balance of \$64,327 left, which is about

1 right on par, actually. We've got -- our fiscal year ends
2 June 30th, so as we expend those dollars, that will, that
3 will continue to go down.

4 And then, of course, part of also the funds that come
5 out of the Coal Natural Resource Account for admin is the
6 audit costs, so Legislative Audit Services has their own
7 individual line item. And the Commerce Department goes
8 through an audit every other year, so that helps pay for
9 that, even though there could be audit things going on on
10 an annual basis to help prepare for that biennial audit.

11 And, of course, there's -- the last line is
12 Fiscal Year 2019 grant. Since we aren't there yet, that
13 line has no, no dollar amount in there because there is no
14 money.

15 So the total amount of obligated expenses that the
16 Board has is \$6,946,331. So then what we're going to do,
17 and you can see there's appropriations and expenditures
18 and it repeats that expenditure amount. So when we take
19 the amount of cash and estimated revenues of \$6.8 million
20 and subtract the obligations of \$6.9 million, we come up
21 with a negative amount of \$140,577. And again, it's an
22 estimated revenue amount. So if it goes up, that number
23 will -- well, it will go up. It will become a more
24 positive number. If the revenue estimates come in less
25 favorable, then that number will increase at a negative

1 trajectory.

2 So I wanted to walk through that because I think that
3 there was, at the last meeting, a lot of conversation
4 about what was in the account, how much is in the account,
5 what's the difference between revenue and appropriation,
6 what's the definition of available funds. So hopefully
7 this helps to provide some information to the Board so
8 that you're more informed about the budget.

9 So is there any questions? I think that helps maybe
10 explain a little bit about the summary that we provide at
11 the top.

12 CHAIRMAN WILLIAMS: Questions from the Board?

13 BOARD MEMBER SCHAFF: Jennifer, this number
14 includes the MSUB grant in it?

15 MS. OLSON: That's a great question. And so at
16 the last January meeting, the \$500,000 was awarded to
17 MSUB. So when you look at the March 2018 amount, it has a
18 revenue available -- excuse me, awards made of
19 \$2.8 million. That includes the MSUB amount. So that
20 project was discussed at a February meeting to rescind it.
21 That was tabled and moved to today. So not only do we
22 have the MSUB in that 2.8 million, but then the total
23 amount of funds requested for this board meeting is also
24 the BSEDA MSUB application for 500.

25 So there's a little duplicativeness there, but we can

1 only -- we're only reflecting what the Board's decisions
2 are here in regards to awards made and then projects
3 requested. So good question. We don't want to confuse
4 you. So there is a \$500,000 kind of redundancy there.

5 CHAIRMAN WILLIAMS: Any other questions from the
6 Board?

7 Any questions or comments from the public?

8 Okay. Do you have anything else, Jennifer?

9 MS. OLSON: Nope. In regards to budget updates,
10 I do not.

11 CHAIRMAN WILLIAMS: Okay. I will entertain a
12 motion to accept the report on the budget status.

13 BOARD MEMBER SCHAFF: So moved.

14 CHAIRMAN WILLIAMS: And second, please.

15 A BOARD MEMBER: Second.

16 CHAIRMAN WILLIAMS: It's been moved and seconded.
17 Any other discussion?

18 Okay. Vote, please.

19 MS. PICHETTE: Vice-Chair Fitzpatrick.

20 VICE-CHAIR FITZPATRICK: Yes.

21 MS. PICHETTE: Shawn Fredrickson.

22 BOARD MEMBER FREDRICKSON: Yes.

23 MS. PICHETTE: Thank you.

24 Amber Henning.

25 BOARD MEMBER HENNING: Yes.

1 MS. PICHETTE: Marianne Roose.

2 Tim Schaff.

3 BOARD MEMBER SCHAFF: Yes.

4 MS. PICHETTE: Veronica Small-Eastman.

5 BOARD MEMBER SMALL-EASTMAN: Yes.

6 MS. PICHETTE: Chairman Williams.

7 CHAIRMAN WILLIAMS: Yes.

8 Thank you.

9 The next item is project updates.

10 MS. PICHETTE: Mr. Chairman, I would just direct
11 the Board's attention to, there's a letter in your packet
12 from the Musselshell County, and just to make sure there's
13 no confusion, the letter from Musselshell County is just
14 giving us an update and letting us know that they may come
15 in for an extension request but are not at this time. So
16 you don't need to take any action on that. But we wanted
17 to make sure you had that communication from them in your
18 information.

19 And then throughout that section of your binder, you
20 have some other pieces of communication that have come
21 directed to the Board.

22 Then also you have two spreadsheets in that section
23 with project updates. And the second one is your
24 2019 awards from your June meeting. Those are your
25 2019 biennium projects. We're in the process of routing

1 all of those contracts. We have two that are getting us
2 additional information, but the rest, you should be seeing
3 soon if you have not already if you happen to also be one
4 of the applicants.

5 And then you'll also see we have quite a few projects
6 on the list that's blue and gray at the top. Those are
7 the older projects. You'll see that we've got quite a few
8 that are coming along and we've had some draws, we've got
9 a few that are getting ready to close. You also have a
10 letter in your packet regarding one of these from the
11 Northern Cheyenne Utilities Commission returning or -- one
12 of their grants for their software program. So that will
13 be reflected on your next spreadsheet, that that will no
14 longer be an open project.

15 CHAIRMAN WILLIAMS: Are there any items that we
16 need to act on in there?

17 MS. PICHETTE: Not at this time. It will just be
18 the heads-up on Musselshell County if they come in later.
19 Theirs does not expire until 2019, but they were just
20 giving us an advance heads-up.

21 Oh. And it does not require action, but just to make
22 sure you noticed that, in all of the communication, you do
23 have some emails that were received in the board email box
24 regarding the MSUB award. So to make sure that you saw
25 that communication as well, we printed you the emails from

1 constituents.

2 A STAFF MEMBER: And just also to add in that
3 same section, you'll see an email from Joe Purcell
4 regarding the Hardin, City of Hardin application as well.

5 CHAIRMAN WILLIAMS: Okay. That was to put the
6 item back on the active discussion list? Okay.

7 Okay. Are there any other issues with that?

8 Any discussion from the Board? Any questions from the
9 Board?

10 Okay. Since there's no action required, we'll move to
11 the next item, which is our old business. And at our
12 telephone conference call, what was discussed with, with
13 the MSUB application was to consider -- And I indicated at
14 the conference call that we would have this as the first
15 item of business; that we would consider suspending the
16 award to MSU Billings, as has been recommended by our
17 staff attorney, we would consider allowing Big Sky
18 Economic Development to submit the MSU Billings
19 application on behalf of the MSU Billings Foundation, and
20 we would consider approval of the Big Sky Economic
21 Development application, to include the waiver of the
22 45-day rule. And that's the action that the Board took at
23 the conference call.

24 So having said that, then I will ask the staff to
25 provide us an update.

1 MS. PICHETTE: Mr. Chair, we did receive an
2 application from Big Sky Economic Development for the
3 MSUB Yellowstone Science and Allied Health Building in the
4 amount of \$500,000. The applicant is requesting \$500,000,
5 of a total project cost of \$15 million, in Coal Board
6 funds to complete the renovation of the 70-year-old
7 science facility at MSU Billings. The request to the
8 Board is 3 percent of the project cost.

9 The applicant has stated that renovation of the older
10 science building will allow for more classroom space,
11 which will directly serve the employers and residents of
12 coal counties by providing training opportunities. The
13 applicant states that while the applicant has changed for
14 this project, the application is the same as the one
15 previously submitted by MSU Billings to the Coal Board.

16 CHAIRMAN WILLIAMS: Okay. We'll go right through
17 this I think as we have other -- this is a little unusual,
18 and we'll go right through this as we have other
19 applications, and then after the presentation, then we'll
20 go through those action items as addressed in the
21 conference call. Does that fit with everything?

22 Amy, is that okay? Does that sound like where we
23 should be moving?

24 I'm wondering, probably what I'll ask, Amy, is for --
25 after -- I'll have it introduced and have MSUB -- give the

1 opportunity for presentation, and Big Sky. Perhaps you
2 could do it together, MSU and Big Sky Development could do
3 the, any discussion at that time, and then turn it over
4 for questions from the, from the Board, and then go
5 through the action items. Okay? Does that sound okay?

6 okay. A little unusual, but I think we'll -- You'll
7 have to help me get there. Okay?

8 okay. Thank you. Let's go ahead with that. So go
9 ahead, introduce the application, please. Big Sky.

10 MS. PICHETTE: No. 0848, Big Sky Economic
11 Development, MSUB Yellowstone Science and Allied Health
12 Building, \$500,000. The applicant is requesting \$500,000,
13 of a total project cost of \$15 million, in Coal Board
14 funds to complete the renovation of the 70-year-old
15 science facility at MSU Billings. The request to the
16 Board is 3 percent of the project cost.

17 The applicant has stated that renovation of the older
18 science building will allow for more classroom space,
19 which will directly serve the employers and residents of
20 coal counties by providing training opportunities.

21 MS. LEHM: Good morning, Chairman and --

22 CHAIRMAN WILLIAMS: Good morning.

23 MS. LEHM: -- Board Members. Dianne Lehm with
24 Big Sky Economic Development. I know that we have talked
25 about this project on, on many occasions. I do want to

1 let you know since our February 9th meeting, we have done
2 and completed all of the environmental review checklists
3 and information that was required of us. I do have copies
4 of that to pass out to the Board and to the staff, if
5 that's okay with you, just to give you that information.

6 Okay. And I will let Robbie talk about the project as
7 I do that.

8 ROBBIE: The environmental assessment, we did a
9 public hearing. We did public notice of that hearing.
10 And there was a resolution by Big Sky Economic Development
11 to approve the environmental assessment, so we believe we
12 have met all the requirements for that particular item on
13 the grant.

14 Any questions?

15 CHAIRMAN WILLIAMS: Questions from the Board?

16 I've got a couple questions. One of the things that
17 I'm interested in hearing is an update on the funding that
18 is currently available. If you've got a \$15 million
19 project, could you give us an update on where you are in
20 the process of obtaining those funds, please.

21 MR. KENNEDY: Mr. Chairman, Members of the
22 Committee, my name is Bill Kennedy. I'm the president and
23 CEO of Montana State University Billings Foundation. Just
24 an update of where we are today.

25 When we first started and we applied in this process,

1 we were at \$2.1 million. We are today at \$3.1 million.
2 With the additional Coal Board money, we would be at
3 \$3.6 million. We are working right now on some other
4 grants. We did have a grant, because of the delay, to the
5 M.J. Murdock that has been delayed until May because
6 they're waiting for the outcome of the, of this decision.

7 So at -- we're getting close and we're ready to move
8 forward. Once the \$15 million is reached -- or the
9 \$5 million on our match, the dollars, the \$10 million will
10 be released from the State, we will start the process.

11 Also, the delay of this, the \$2.1 million of student
12 fees for this project was not approved by the Board of
13 Regents. It was, it was withdrawn. And after the
14 Coal Board and all of this, and once we reach the total of
15 \$5 million match, the additional \$2.1 million will go back
16 to the Board of Regents. The scope of the project then
17 will move to \$17.1 million. And then at that time we will
18 go with the State A & E Department through State
19 Administration and go -- then we'll have for you, we'll
20 come back and give you the timeline on the planning
21 process and having the plans for you. And then when -- we
22 will go out to bid, and then at that time the in ground
23 and the 16 months for the construction of the project.

24 So all of this -- as you can see, a lot of things are,
25 are hinged on the decision today.

1 CHAIRMAN WILLIAMS: Mr. Kennedy, what -- when you
2 say once you obtain this. What's your earliest that you
3 think that you'll go out for bid and what would be the
4 date that you would begin construction?

5 MR. KENNEDY: I would love to go out to bid by
6 early winter, looking at December of 2018. And that's
7 if -- Mr. Chairman, that's if the stars all line up and
8 everything works correctly. The delay of a couple months
9 on, on this has, has delayed another grant, which has
10 pushed us back a little bit. We were hoping to -- we're
11 hoping that, by early summer to have the full 5 million
12 match and to go forward. But it does take six-and-a-half
13 months to do all the drawings for the building.

14 CHAIRMAN WILLIAMS: So you're looking at December
15 2018 to go out for bid; is that correct?

16 MR. KENNEDY: Hopefully. December is the soonest
17 we could go out for bid on this project.

18 CHAIRMAN WILLIAMS: That would be earliest. And
19 the earliest point of beginning construction would be
20 when?

21 MR. KENNEDY: would be next spring.

22 CHAIRMAN WILLIAMS: It would be spring of 2019?

23 MR. KENNEDY: 2019. So what we would have,
24 Mr. Chairman, is with 2019, we will have -- once we go out
25 to bid, and you all know the construction process, we will

1 have the, the fee schedule.

2 what we need for the, for the State of Montana is to
3 have the documentation that the money has been allocated.
4 The drawdown will come as we hit the fee schedule for the
5 project. So there is a delay on us working with the
6 Department and drawing the dollars down.

7 Any other questions?

8 CHAIRMAN WILLIAMS: So the earliest you could
9 begin construction would be the spring of 2019, and you
10 would be looking for some draw from the Coal Board...

11 MR. KENNEDY: As the fee schedule goes forward,
12 the, the drawdown as soon as we get the fee schedule. I
13 can't, I can't pull that out of the air because I have to
14 tell you it's all dependent on the contractor and the fee
15 schedule as they start pulling down. But as soon as we
16 have the fee schedule and the construction project starts,
17 we can start working with the Department with the
18 paperwork and the drawdown for the dollars.

19 CHAIRMAN WILLIAMS: So I would anticipate
20 probably earliest would be sometime in 2019.

21 MR. KENNEDY: Correct.

22 CHAIRMAN WILLIAMS: That you would start to draw.

23 MR. KENNEDY: Yes. And there is a -- just, just
24 so you know, there is a caveat on this whole thing. The
25 \$10 million is in long-range planning. The legislative

1 session begins January 19th -- of 2019. We need to have
2 it matched and on the books and ready to go before the
3 next legislative session. So timing is everything.

4 CHAIRMAN WILLIAMS: Okay. Thank you.

5 I have some other concerns, but I'll -- Any other
6 discussion from the Board?

7 UNIDENTIFIED SPEAKER: (Inaudible).

8 CHAIRMAN WILLIAMS: Okay. Thank you.

9 Comments from the public on this application?

10 REPRESENTATIVE ESSMANN: Mr. Chairman, Members of
11 the Coal Board, my name is Jeff Essmann. I represent
12 House District 54, and I'm going to keep my comments brief
13 and try to give a little historical context for this grant
14 request and my support for it.

15 In 1980, I was a young 27-year-old whippersnapper
16 working for the Montana Power Company that was spending a
17 lot of time down in Colstrip, because at that time
18 Colstrip Units 3 and 4 were, you know, just coming out of
19 the ground. And I was tasked with responsibility by the
20 Montana Power Company, for whom I worked, to shepherd the
21 effort to subdivide additional subdivisions in Colstrip to
22 provide housing for the workers to build those units and
23 then live and operate the mines and the power plants. So
24 I spent a lot of time down at Colstrip and Forsyth in that
25 effort.

1 At that time, you know, the future of the coal
2 industry and the coal communities in this state was very
3 bright, you know, and shiny and we were on the move. I
4 would contrast that with today, where, you know, I think
5 any characterization of that climate other than uncertain
6 would be incorrect.

7 So, you know, I understand the -- having served in the
8 Legislature, I understand the difficult task you always
9 have to how to apportion available money. That's a task
10 that falls hard on everybody, and I thank you for your
11 efforts in doing that. But I want to encourage you to, to
12 keep this project moving forward for a couple of reasons.

13 Number one, I served as part of a community task force
14 most of this past year trying to -- you know, working on
15 focusing this unit of the University System on meeting the
16 needs of the region. I, I think we came up with a good
17 work product. I believe the unit, going forward, you
18 know, will be focused on providing educators for the
19 schools in the region, it will be focused on providing
20 medical technicians for the health care units in this
21 region, and it will be focused on, on providing staff in
22 business and science and technology for the employees --
23 employers in the region.

24 So despite the uncertainty facing the coal industry
25 and the coal communities -- And I consider Billings a coal

1 community too. We have benefited greatly from the
2 economic engine that the coal industry has been. I don't
3 think a lot of people in the state and -- and my own
4 community, unfortunately, don't realize the impact that
5 the decline in the coal industry will have on this
6 community. I really don't. But it will be negative.

7 I would ask you to continue to support this project.
8 I think it will be a good legacy for the children in this
9 community, and in my case grandchildren, as they need jobs
10 in these fields going forward so they can remain in this
11 region.

12 So thank you very much for your time. If I may get
13 your permission, I'm going to leave because I've got
14 business affairs in Big Horn County to attend to.

15 CHAIRMAN WILLIAMS: Okay. Thank you,
16 Representative.

17 REPRESENTATIVE ESSMANN: Thank you.

18 CHAIRMAN WILLIAMS: Other comments?

19 MR. ARVESCHOUG: Chairman Williams, Members of
20 the Committee, Steve Arveschoug, executive director for
21 Big Sky Economic Development. I'm going to kind of put my
22 public hat on in this, if that's even possible in this
23 application process.

24 Our board of directors, we have 33 board of directors.
25 We have a public-private partnership. And they were very

1 unanimous in their support to move forward in this
2 application and support of the University. And I'll talk
3 a little bit about the commitment that we've made toward
4 this process and will continue to make on an ongoing basis
5 to make sure that this is successful for our community and
6 the fundraising is, is completed. And you have that, that
7 pledge from me both personally and in representation of
8 our organization.

9 But I want to start by saying that we, we feel very
10 strongly, as an economic development organization, about
11 the partnership that we continue to try and strengthen and
12 build. And I think, Chairman Williams, it was maybe
13 two years ago, we took a busload of our board members down
14 to Colstrip at the invitation of Southeast Montana
15 Development Corporation. Because we really wanted to be
16 on the ground and talk with you about what your community
17 is experiencing, what's happening, and kind of the
18 in-ground-zero, as it were, with the, with the challenges.

19 That meeting led to what we now refer to as our
20 Coal Country Coalition. It's a partnership of
21 Southeast Montana Development Corporation, Snowy Mountain,
22 Beartooth RC&D, and Big Sky Economic Development. And
23 with your help, with the Coal Board's help, we initiated
24 an impact study. The reason we're standing here today
25 talking about an investment in our university has a lot to

1 do with what we discovered in that study, which we
2 probably in some part knew already, that we're connected.
3 We're connected because of that coal industry.

4 That connection is no more stronger than it is with
5 our regional university. That regional university
6 connects us beyond our economy. It connects us in an
7 education way. Students from throughout the region have
8 an opportunity to attend school there, and they need and
9 deserve a state-of-the-art science facility. And so this
10 investment that you're making in partnership with us and
11 other organizations is really an investment in that
12 partnership that we want to continue to strengthen and
13 that we've all been a part of.

14 Big Sky Economic Development has committed \$200,000,
15 and then we went out to the community and started talking
16 to our business community, and we were able to get another
17 \$100,000. Our pledge to the University is just in excess
18 of \$300,000. We've got some more work to do, and we're
19 hopeful to bring to the table additional contribution
20 toward this project. Myself and other staff people are
21 committed to continuing to work with the Foundation to see
22 this through.

23 In, in my opinion and in closing, Jeff's comments
24 earlier about kind of the uncertainties that are -- that
25 you all live with on a daily basis with respect to the

1 coal industry probably makes this investment, this
2 long-term investment in education more important than it
3 has ever been before. So it's in that context and in the
4 context of our willingness to continue to partner with you
5 and with our university and our communities throughout the
6 region that we would ask for your continued support of
7 this project.

8 Thank you.

9 CHAIRMAN WILLIAMS: Thank you.

10 MAYOR COLE: Mr. Chairman, Committee Members, my
11 name is Bill Cole, and I am the mayor of Billings,
12 Montana. Steve Arveschoug mentioned the word
13 "partnership," and I think that's a critical one.
14 Billings wants to be a great city, and we know that a
15 great city requires a great university, and that requires
16 partnership.

17 We want to keep our kids here. We know -- we have to
18 fill about 15,000 jobs in the next 10 years because of
19 attrition and in growth, and that means attracting the
20 young, people between 20 and 40 in particular. So the
21 problem, though, is that both Billings and MSUB need to
22 strengthen our core competency, our reputation in
23 technology and in science.

24 Here's an example that was brought home to me just
25 yesterday and earlier this week. I had meetings with the

1 leadership of Billings Clinic and St. Vincent's. Now,
2 those are the two largest health care facilities in the
3 state of Montana. Billings Clinic employs 41,000 -- or,
4 I'm sorry, 4100 employees, mostly here in Yellowstone
5 County but also around the state. My understanding is
6 that Billings Clinic employees pay about 9 percent of the
7 property taxes either in Billings or in
8 Yellowstone County.

9 But they have a problem. They are in the constant
10 hunt for physicians and nurses and techs, who can live
11 anywhere they want. The jobs are out there anyplace. And
12 so they and we have to find a reason why they will say we
13 will move to Billings, Montana. It's essential to their
14 future, those institutions' future, and it's essential to
15 our future. Right now, at any given time, we have a
16 deficit of approximately 100 physicians between the
17 Clinic, St. V's, RiverStone, and private health care
18 providers in Billings, roughly 200 nurses, and I don't
19 know how many rad techs and other technology workers.
20 Reputation, competency in science, a good university is
21 critical to attracting those people. And they know that
22 brand and identity and reputation of a community all goes
23 together.

24 So the City of Billings recognizes that, and, in order
25 to strengthen this partnership and build our core

1 competency in science and tech, last year committed
2 \$50,000 of scarce public resources to this project -- that
3 money has already gone out -- because we recognize that as
4 MSU prospers, Billings will prosper.

5 Personally, my wife and I have toured the, the
6 existing science building and made a similar contribution
7 of \$50,000 to this effort because we've seen the existing
8 facility and we know the problems that are there. If I
9 were a parent and I were considering sending my children
10 to MSUB and science was going to be any part of their
11 curriculum, I would be very, very concerned. And that's a
12 problem for MSUB, but it's also a problem for Billings.

13 So on behalf of the City and myself and my wife, I
14 would just encourage you to look favorably on this grant
15 application.

16 Thank you very much.

17 CHAIRMAN WILLIAMS: Thank you, Mayor.

18 Other comments from the public?

19 MS. BIRD WILLIAMS: Mr. Chairman, Members of the
20 Committee. My name is Jody Bird Williams. I'm a resident
21 of Colstrip. I'm a former member of the Montana House of
22 Representatives, a former U of M Advisory Council member
23 during that time. And I have some questions. I wasn't at
24 the last meeting, I don't know what was discussed, but I
25 have some questions.

1 I know enrollment is down considerably at U of M, and
2 they just hired a bright, new, young guy that I think's
3 probably going to do a great job there. And I know
4 student costs are up and student debt is horrible. So I'm
5 thinking about these things. And I'm thinking education
6 is a wonderful thing. My family are a lot of educators.

7 And I think I heard Mr. Kennedy say timing is
8 everything, and that's exactly what I woke up thinking
9 this morning. And I thought is, is this a little bit
10 ahead of its time? Because enrollment numbers are down,
11 costs of going to school are up, and student debt is so
12 high. And our state is full of aging people. Families
13 are not replacing the aging. They aren't having as many
14 children. So how many students are we going to have
15 available? Is it going to match the cost, the investment?
16 I'm thinking about all these things. I'm being practical.
17 And I'm not against the idea, because I think it's a
18 wonderful idea. But I'm just wondering about the timing.

19 And it also kind of bugs me. My first committee I
20 ever staffed in Legislature was Appropriations, and I also
21 served on Taxation, Judiciary, and Natural Resources. And
22 it, it bothers me to see one group get the lion's share
23 and there's a lot of lambs out there in all the counties
24 in eastern Montana. We heard people talk about ambulances
25 and fire trucks and hospital elevators and boilers for

1 hospitals. And those things are all needful. The smaller
2 counties are talking about merging together because they
3 don't have enough money. The smaller schools are talking.
4 Our school district, the Colstrip School District, we're
5 going to be in bad, bad shape.

6 And so I'm wondering, if enrollments are down all the
7 way through the school system, all the costs are going up,
8 is it the right time? That's my only question. But I
9 applaud the idea.

10 And I thank you for your time.

11 CHAIRMAN WILLIAMS: Thank you.

12 Other questions, comments?

13 MR. LARSEN: Chairman, thank you. I'm
14 Ron Larsen, currently chairman -- or currently chancellor
15 at MSU Billings. As many of you know, my time at
16 MSU Billings is coming to an end. There was a search for
17 the position and they have hired Daniel Edelman, who will
18 start in May. He contacted me yesterday and said is there
19 anything he can do to try to make sure this goes forward,
20 and I said, you know, we'll do the best we can.

21 It has been an amazing opportunity for me to be a part
22 of MSU Billings. One of the moments that stands out to
23 me, we were having a, an enrollment management meeting,
24 and there was some question about who is our focus. And
25 there had been, at some point before my time, some

1 discussion on focusing on the Billings area high schools,
2 and I pushed back on that and said, "We are the university
3 that serves eastern Montana, and we're not giving that
4 away." And I was very pleased to see that the people
5 around the table were, were absolutely happy to have that
6 reaffirmed to them, that MSU Billings is the institution
7 that serves eastern Montana. And that makes us the
8 institution of coal country.

9 So I'm kind of humbled to be standing here with these
10 folks coming up and talking about the contributions they
11 have made. We are so thankful to Big Sky Economic
12 Development, and we're so thankful to the City and
13 everyone else who has contributed to this project. We are
14 getting close. We're not quite done. And the timing is
15 truly critical.

16 So thank you. It has been my honor to be a part of
17 this. I thank you for what you're going to do, and I hope
18 we can get it done. Thank you.

19 CHAIRMAN WILLIAMS: Thank you.

20 COMMISSIONER BERRY: I'm sorry, Mr. Chair, here I
21 am again, Members of the Board. Commissioner Berry from
22 Musselshell County, former representative, House
23 District 40. And I was in the House of Representatives
24 when this bill came before us, and I did vote for the
25 \$10 million knowing that the community had to raise

1 5 million.

2 And I'm not saying this board should award it, and I'm
3 not saying this board should not award it. But that was
4 the process of our -- or that was the intent of our
5 legislation as I remember, which is getting harder and
6 harder to do at my age. But it was our intent that the
7 Legislature would appropriate \$10 million and the
8 community was to raise 5 million to get this project done.
9 So I just wanted a little bit of reminder, a little bit of
10 history of what was behind this. And I'm not saying what
11 the Board should do or shouldn't do, but that's just a
12 little bit of history.

13 Thank you, sir. Thank you, Members of the Board.

14 CHAIRMAN WILLIAMS: Thank you, Commissioner.

15 MR. KENNEDY: Mr. Chair, Members of the
16 Committee. One thing I do want to bring up is I'm pretty
17 sure that Board Member Roose is on the line, I just don't
18 think she -- the star-2 and can get through, so you may
19 want to check on that.

20 A couple of things. This process has been on the
21 books for a while. The Legislature has approved of it.
22 The Legislature talked about it last session. We looked
23 at a bonding bill. The bonding bill went through
24 10 votes. First time I've seen that in the Legislature in
25 my 40 years of working the Legislature.

1 I am a educator, taught in Colstrip. Taught your
2 daughter, John, back in '81 through '84. I was there
3 during the boom of the 3 and 4. We were trailer trash on
4 the hill. We knew that. We were 7600 people strong. Now
5 we're down to about 2200 in Colstrip. I was there during
6 the, during the growth and the building of the \$13 million
7 school in Colstrip, which has gone from a Class A school
8 now down to B and, and possibly could drop below that.

9 Everyone in Colstrip came to Billings to shop, came to
10 Billings to, a lot of them to doctor. My dentist was in
11 Colstrip, and I moved to Billings and my dentist
12 recommended me to the dentist here. We do a lot of things
13 together in coal country. And just to remind Members,
14 Yellowstone County does have a coal mine in it,
15 Signal Peak Mine. And we appreciated, as I was county
16 commissioner, you allocated some dollars for the, for the
17 mine road for us.

18 But every one of those school districts in
19 southeastern Montana is dependent on educators and the
20 sciences. And with that, as I talked to Commissioner
21 Small-Eastman, and the chancellor and I made a trip down
22 to Lame Deer and visited about educators, it's needed. I
23 read in the paper all the time -- and school districts, we
24 held a reception and talked to teachers about STEM. This
25 weekend for all of southeastern Montana, we have the

1 science expo.

2 Education, science, and to be able to provide
3 instructors all over eastern Montana throughout coal
4 country is very important. Mayor, you talked to us when
5 we were down in Colstrip about keeping people in your
6 community. You need educators in Colstrip. You need to
7 be able to educate the students so people stay. All of
8 that is very important.

9 This building -- And people say, well, wait a little
10 bit. You can't wait any longer. It's been on the docket
11 for over six years. The head count at the University is
12 over 4400 students. We have students from all over
13 southeastern Montana. We have students from Eastern
14 Montana College, Montana State University Billings, that
15 are in each of your communities, coal country. We are
16 coal country. The one thing that people say is Billings
17 won't be affected like the other communities. That's
18 wrong.

19 A few years ago, we went to bat for the Southeastern
20 Montana Experimental Station because they shut it down
21 over in Huntley. Why? There's a \$17 million cash crop of
22 sugar beets in this valley that affects Billings, Montana,
23 and Main Street. Coal country affects Billings, Montana,
24 and Main Street. The University reaches out and its
25 tentacles are all over coal country and around the state

1 of Montana.

2 So as we go forward and we talk about 3 percent of
3 this budget is building -- rebuilding a 70-year-old
4 building that's not adequate to serve the needs of
5 education, of the sciences.

6 And the last thing I want to talk about is the
7 superintendent over in Hardin talked about his
8 championship teams, and I want to congratulate them.
9 Lodge Grass went to State.

10 Our athletics, our training, our nursing program that
11 will be housed, some of it will be housed in this
12 building, all reach out to every one of the communities.
13 This is very important. I think we've delayed long
14 enough. It's time to move forward. And we would invite
15 you for the groundbreaking and making sure that you're a
16 part of this.

17 we really appreciate your support today. Thank you.

18 CHAIRMAN WILLIAMS: Okay. Thank you.

19 Other comments from the public?

20 Okay. Discussion from the Board.

21 I'll make a couple comments on it. I support this.
22 I've, I've always supported what you're attempting to do
23 and what you will accomplish. My reluctance and my vote
24 against it was the fact it was \$500,000, a half a million
25 dollars. That was my issue, and it has been my issue all

1 along on this.

2 This is a very large amount of money. And when we
3 have the responsibility as a board on taking a look at the
4 statutory requirements that are placed on this board, one
5 of the things right up at the top of the line, and
6 Representative Berry is here, but Representative Essmann
7 was here, would the need of the proposed project enable
8 the applicant to adequately address to provide for
9 governmental services and facilities that are needed as a
10 direct consequence of an increase or decrease in coal
11 development or in the consumption of coal by a coal using
12 energy complex?

13 Those are the rules that we -- that was the first,
14 that's the first rule that we're required to follow, the
15 first statute. And for us to fund this at a half million
16 dollars I feel violates that statute, though I do support
17 it, at probably a lesser amount of money than what you've
18 requested.

19 You know, we lose sight of the fact of the value of
20 what coal has been to our communities throughout Montana.
21 Everybody has benefited as a result. You know, and the
22 one tax alone that is collected on coal, the severance
23 tax, over \$2 billion has been allocated out across the
24 state of Montana as a result of the mining and the power
25 generation that occurs in coal country, those folks that

1 live and work there. The process that we're going through
2 and have been going through for 40-plus years is to assist
3 those communities in the impact associated with that.

4 This board has been very responsive over the many,
5 many years that -- we get a small percentage of that
6 \$2.1 billion that's been collected. We've been very
7 responsive to allocating that back -- a large portion of
8 it has gone back to education. Over 30 percent has gone
9 back to education, of the funds that we work with. But it
10 has gone to the school districts within the coal-impacted
11 communities. It has gone to Hardin, it has gone to
12 Lodge Grass, it has gone to Lame Deer, it has gone to
13 Colstrip, it has gone to Forsyth, those school districts
14 that is required by law for them to provide education.

15 Some has gone into the higher education. Some has
16 gone -- I don't know what, if anything -- I believe
17 something has gone back into MSU. And as far as my
18 support on it, you're right, Mr. Kennedy, you taught my
19 daughter there. She also graduated from Eastern. And so
20 did my son and grandson. You know, so I have supported
21 Eastern individually and I support as a board all of the
22 educational processes that we've been able to work with in
23 coal-impacted communities. Increase or decrease in coal
24 development, those are the statutes that is placed before
25 us that we're required to follow.

1 And while I support this, I don't support it at the
2 half-million-dollar level. And those are my thoughts.
3 But I do support it. And I support your effort. So
4 that's, that's my position on it. And I think if I back
5 off from that, I feel that I do a sacrifice against the
6 integrity of what I am involved with on my
7 responsibilities. I've been involved with this board for
8 over 14 years as a member.

9 Prior to that, I appeared before this board as a
10 representative of an impacted community, of people that
11 live and work in the coal industry. And this was designed
12 and set up to address those folks and to work with them on
13 the quality of life that they have on providing that
14 tremendous resource back across the state of Montana.
15 Education, infrastructure, police protection, fire
16 protection, medical, all those items that add to the
17 quality of life that we're involved with in coal country
18 place value on existence. So that's -- you know, it's not
19 that I don't support it. I do. But not at the current
20 level.

21 Now, having said that --

22 VICE-CHAIR FITZPATRICK: Mr. Chairman, I have a
23 comment.

24 CHAIRMAN WILLIAMS: Yes.

25 VICE-CHAIR FITZPATRICK: So the record reflects

1 in my book here we gave \$500,000 to Colstrip for Phase 1
2 water; we gave \$500,000 to Representative Berry --
3 Commissioner Berry's school; we gave \$300,000 to
4 Rosebud County. That's the record I have right in front
5 of me today.

6 I'm Sidney Fitzpatrick, Big Horn County Commissioner,
7 for the ones that don't know me that are sitting in the
8 audience. I'm a tribal member from the Crow Tribe. My
9 constituents are the Crow People and the Cheyenne People
10 in the Busby area. They're my constituents. That's who I
11 speak for today.

12 When this was under scrutiny -- This is the third time
13 now. The second time, I heard the presentation when we
14 were at MSUB with the counselor, with bringing counselors,
15 training counselors in the LE building for my people. I
16 want to have them trained counselors so they're not looked
17 upon when they come to this beautiful city. Because I'll
18 tell you what, bigotry is alive and well today here. It
19 is. That's the truth.

20 So if I sit here heading to 60 years of age, being
21 sober for almost 40 years, and I'm going to, I'm going to
22 make a motion to approve this for my constituency, also
23 remember I have three coal mines in Big Horn County.
24 Three. And, you know, I'll tell you something, every time
25 when I came to that podium -- I've been in this seat

1 eight years now. Every time when I came to that podium
2 when I asked for money to this board in the past, we came
3 up with local effort and the county paid half of the
4 project. Half. If we asked for 100,000, we paid 50,000.
5 If we ask for half a million, we'll pay \$250,000.

6 But when I go back and they want to talk local effort,
7 who makes the motion to give 400 percent funding to
8 Musselshell County? This man speaking right here.
9 Where's the local effort?

10 We're talking -- I'm talking for my constituents. So
11 what do you see up here right now? Look up here. What do
12 you see? Who's on one side and who's on the other? You
13 know, when I go to church in Hardin, segregation is still
14 alive and well there. One side is my people and the other
15 side's that people. When are we going to reconcile that?

16 So I have four sons, three daughters, 18 grandsons,
17 granddaughters, and they're going to come to this
18 university. That's the legacy Mr. Essmann was talking
19 about. So when you want to say reflects, it's all right
20 here in the book. So what's different if we award
21 \$500,000 today? It's not the first time this board gave
22 \$500,000.

23 Thank you.

24 CHAIRMAN WILLIAMS: Okay. Amy, why don't you go
25 through the -- where we are as far as the issues.

1 Anne, did you have something?

2 MS. PICHETTE: Mr. Chairman, we believe Marianne
3 is on the phone while you're having board discussion. We
4 just believe she's having technical difficulties.

5 CHAIRMAN WILLIAMS: Okay.

6 MS. PICHETTE: If we could take a moment while
7 you're still in board discussion to try to resolve that in
8 case --

9 CHAIRMAN WILLIAMS: Okay.

10 MS. PICHETTE: -- she has comments.

11 CHAIRMAN WILLIAMS: Yeah.

12 MS. PICHETTE: Can we do that?

13 CHAIRMAN WILLIAMS: Yeah.

14 (Off the record briefly.)

15 CHAIRMAN WILLIAMS: Okay. Let's go back into
16 session here. And Amy, if you would just describe the
17 issues that bring us to this point. So...

18 MS. BARNES: For the record, my name is
19 Amy Barnes. I'm legal counsel for the Coal Board.

20 So the issue that we have is there was a, a grant that
21 was awarded to MSU Billings back in January at the
22 quarterly meeting for \$500,000. But the problem is there
23 is an administrative rule that the Coal Board has. It is
24 Rule No. 8.101.306, and it is in regard to state agencies.
25 And MSU Billings is a state agency, and once you actually

1 read through the rule, you can figure out that this
2 project that MSUB has brought forth as a state agency is
3 not actually an eligible project.

4 And so it was my recommendation that the Coal Board
5 rescind that grant award, and that's what I recommended at
6 the February conference call, and that's where we're still
7 at today. The actual award is still in place. It was not
8 rescinded at that conference call.

9 So I believe there are two different action items that
10 are actually under item 7A. We've got the actual MSUB
11 grant award that was awarded that we need to take action
12 on, and then the other one is the BSEDA grant application
13 that you should also take action on.

14 CHAIRMAN WILLIAMS: Okay. Thank you. I was just
15 looking for the -- that number is --

16 MS. BARNES: The ARM is 8.101.306.

17 CHAIRMAN WILLIAMS: What's the application
18 number?

19 MS. PICHETTE: Chairman, this is Anne. The
20 application number for MSU Billings that was previously
21 awarded is No. 0832 --

22 CHAIRMAN WILLIAMS: Okay.

23 MS. PICHETTE: -- which was the awarded one. The
24 current new application from Big Sky Economic Development
25 for the MSU Billings building project is No. 0848.

1 CHAIRMAN WILLIAMS: Okay. Thank you.

2 Okay. Okay, where we're at is I will entertain a
3 motion to suspend application 832, the award that was made
4 to MSU Billings.

5 MS. BARNES: Chairman, I would recommend that you
6 rescind it instead of suspend. Suspend sounds like you're
7 doing it for a certain period of time.

8 CHAIRMAN WILLIAMS: A motion to rescind? Okay.
9 A motion to rescind.

10 A BOARD MEMBER: So moved.

11 CHAIRMAN WILLIAMS: And second?

12 A BOARD MEMBER: Second.

13 CHAIRMAN WILLIAMS: It's been moved and seconded.
14 Discussion?

15 BOARD MEMBER ROOSE: This is Marianne. I have a
16 question.

17 CHAIRMAN WILLIAMS: Yes.

18 BOARD MEMBER ROOSE: Will the vote to rescind
19 remove the dollar amount and that request would have to be
20 made all over again?

21 CHAIRMAN WILLIAMS: That's correct.

22 Other discussion?

23 BOARD MEMBER ROOSE: One more comment. Yes, we
24 voted to -- that 500,000 is actually a part of the
25 allocated 2 million? The 500,000 was included in the

1 amount that Jennifer spoke of earlier; right?

2 CHAIRMAN WILLIAMS: That's correct.

3 BOARD MEMBER ROOSE: So my question, John, is
4 then would we have to -- Actually, I have two questions.
5 Would the process then be to approve the grant application
6 by the development organization and then vote again on a
7 dollar amount? I'm not real sure -- don't understand
8 exactly why we're rescinding the 500,000.

9 CHAIRMAN WILLIAMS: We have to rescind the
10 \$500,000. That's what we talked about at the telephone
11 conference call. We said we would rescind it in order for
12 them to move forward with the new -- Big Sky Economic
13 Development to move forward with the new application
14 of 848.

15 BOARD MEMBER ROOSE: Which will include their
16 request for 500,000.

17 CHAIRMAN WILLIAMS: That's correct.

18 BOARD MEMBER ROOSE: Thank you.

19 CHAIRMAN WILLIAMS: Okay. End of discussion on
20 rescinding 832. Any comments from the public?

21 MR. KENNEDY: Mr. Chairman, Bill Kennedy,
22 MSU Billings Foundation. What I would ask is that you do
23 these all as one motion, that you approve and you rescind
24 at the same time, just like you did in the January
25 meeting.

1 CHAIRMAN WILLIAMS: Comments?

2 Amy, any problem with what we're doing?

3 MS. OLSON: Mr. Chairman, can I make a comment?

4 CHAIRMAN WILLIAMS: Please.

5 MS. OLSON: As to Mr. Kennedy's suggestion, I
6 think we did have that discussion at the last conference
7 meeting, and I think that it just makes things clearer as
8 we go forward if we just take things piece by piece as the
9 current motion is set on the table and then move forward
10 to the other, to the other motion, just so that we're all
11 clear and that we're all on one page on what exactly is
12 happening.

13 CHAIRMAN WILLIAMS: Okay. I agree.

14 Any other discussion?

15 Okay. Vote, please.

16 MS. PICHETTE: Vice-Chair Fitzpatrick.

17 VICE-CHAIR FITZPATRICK: Yes.

18 MS. PICHETTE: Shawn Fredrickson.

19 BOARD MEMBER FREDRICKSON: Yes.

20 MS. PICHETTE: Amber Henning.

21 BOARD MEMBER HENNING: Yes.

22 MS. PICHETTE: Marianne Roose.

23 BOARD MEMBER ROOSE: Yes.

24 MS. PICHETTE: Tim Schaff.

25 BOARD MEMBER SCHAFF: Yes.

1 MS. PICHETTE: Veronica Small-Eastman.

2 BOARD MEMBER SMALL-EASTMAN: Yes.

3 MS. PICHETTE: Chairman Williams.

4 CHAIRMAN WILLIAMS: Yes.

5 Okay, that's passed, to rescind 832, MSU Billings at
6 \$500,000.

7 Next item, then, is to, is to address the Big Sky
8 Economic Development application, 848, and the requested
9 amount is \$500,000. I will entertain a motion.

10 VICE-CHAIR FITZPATRICK: I so move.

11 CHAIRMAN WILLIAMS: And second?

12 BOARD MEMBER ROOSE: This is Marianne. I'll
13 second.

14 CHAIRMAN WILLIAMS: It's been moved and seconded.
15 Discussion?

16 MS. OLSON: Mr. Chairman, I do have a question.
17 Did we not also have to vote on suspending the 45-day rule
18 to allow this application?

19 CHAIRMAN WILLIAMS: We would probably do that
20 right after this.

21 MS. OLSON: All right. That works. Oh, we did
22 that in February.

23 CHAIRMAN WILLIAMS: Oh, we did it in February?
24 Are we okay with the 45 days? Okay.

25 MS. OLSON: Excellent.

1 CHAIRMAN WILLIAMS: So then all that we have to
2 do is this; is that right? So we're okay with that?

3 MS. OLSON: Excellent. Just for clarification,
4 you voted for the BSEDA application to have a waiver of
5 the 45-day application rule as well as the -- you gave
6 them a waiver of the 10-day rule as well. The additional
7 environmental information that they just submitted --

8 CHAIRMAN WILLIAMS: Right.

9 MS. OLSON: -- was already included as part of
10 that --

11 CHAIRMAN WILLIAMS: Okay.

12 MS. OLSON: -- decision that was made in
13 February.

14 CHAIRMAN WILLIAMS: Okay. Very good.

15 Okay. Any other discussion, Board?
16 Public?

17 BOARD MEMBER ROOSE: This is Marianne again.

18 CHAIRMAN WILLIAMS: Yes.

19 BOARD MEMBER ROOSE: I guess I -- after listening
20 to all of these comments, I just would like to say, as a
21 board member listening to everyone, I believe this does
22 affect everyone clear across the state and that the coal
23 communities, of which Billings is a part of, will greatly
24 benefit on behalf of, of all of Montana and that it is for
25 education and it is an investment in infrastructure. And

1 I believe it is a good investment of the Coal Board's
2 dollars.

3 So thank you.

4 CHAIRMAN WILLIAMS: Other discussion?
5 Okay. Vote please.

6 MS. PICHETTE: Vice-Chair Fitzpatrick.

7 VICE-CHAIR FITZPATRICK: Yes.

8 MS. PICHETTE: Shawn Fredrickson.

9 BOARD MEMBER FREDRICKSON: Yes.

10 MS. PICHETTE: Amber Henning.

11 BOARD MEMBER HENNING: Yes.

12 MS. PICHETTE: Marianne Roose.

13 BOARD MEMBER ROOSE: Yes.

14 MS. PICHETTE: Tim Schaff.

15 BOARD MEMBER SCHAFF: Yes.

16 MS. PICHETTE: Veronica Small-Eastman.

17 BOARD MEMBER SMALL-EASTMAN: Yes.

18 MS. PICHETTE: Chairman Williams.

19 CHAIRMAN WILLIAMS: No.

20 Okay. Thank you. Motion is passed on the Big Sky
21 Economic Development 848. And thank you all for all your
22 comments. I appreciate it very much.

23 MR. KENNEDY: Mr. Chairman, on behalf of Montana
24 State University Billings, we would like to thank all of
25 you. It's been a long, drawn-out process, but thank you

1 all very much.

2 CHAIRMAN WILLIAMS: Okay. Thank you.

3 Okay. We're going to take about a 10-minute break,
4 everybody.

5 (Recess.)

6 CHAIRMAN WILLIAMS: Okay, Board, I'll call the
7 meeting back to order.

8 Here's my suggestion to the Board, is we move into all
9 of the -- well, let's see. First of all, we've got to do
10 the environmental things, don't we? That's the first
11 thing. Then we'll go into the tabled applications. So
12 let's -- these were the environmental issues that were
13 awarded at the January meeting.

14 So Anne.

15 MS. PICHETTE: Thank you, Mr. Chairman. At the
16 January meeting, some projects were awarded but no
17 environmental action was taken during that awarding, so we
18 need to go back and look at environmental on the ones that
19 were awarded at the previous meeting.

20 You may recall from orientation, we kind of went
21 through what some of the options are, what communities
22 need to provide -- what applicants need to provide, and
23 what the options are for the Board regarding the
24 environmental process.

25 CHAIRMAN WILLIAMS: Could you walk us through

1 that one by one, those issues, the ones that we need to
2 address.

3 MS. PICHETTE: Yes, Mr. Chairman. I don't know
4 if any of you have your December binders with you. It
5 would be on the agenda, but I'll list them each by number
6 and in order.

7 No. 0833, which was Musselshell County, is complete.
8 No. 0834, Golden Valley County --

9 CHAIRMAN WILLIAMS: Wait a second. Do we have to
10 do anything on 833?

11 MS. PICHETTE: No. It was -- they had all their
12 complete information.

13 CHAIRMAN WILLIAMS: Okay. Everything was
14 complete. Okay.

15 MS. PICHETTE: No. 0834, the Golden Valley County
16 Jaws of Life purchase, they provided some meeting minutes.
17 The meeting minutes did not show an environmental
18 determination was made as is required. And that was the
19 only piece of documentation we received for the Jaws of
20 Life purchase.

21 CHAIRMAN WILLIAMS: Okay. And that was a piece
22 of equipment. So we can move on the fact that it was a
23 piece of equipment and nothing else is required; is that
24 correct?

25 MS. PICHETTE: That is correct.

1 CHAIRMAN WILLIAMS: So we need to move on that?

2 Okay. I'll entertain a motion on 833 to allow that
3 process to occur without any further environmental review.

4 MS. PICHETTE: And Mr. Chairman, I apologize. It
5 is 0834.

6 CHAIRMAN WILLIAMS: Oh, I'm sorry. 834.

7 MS. PICHETTE: Thank you.

8 CHAIRMAN WILLIAMS: 834.

9 MS. OLSON: Mr. Chairman, maybe I might help a
10 little bit.

11 CHAIRMAN WILLIAMS: Okay.

12 MS. OLSON: So what the Board is doing is taking
13 on the responsibilities of the local government because
14 the local government did not complete -- or the eligible
15 applicant did not complete the environmental review
16 process as part of the application that was submitted to
17 the Board. So the Board has the option to -- in some
18 cases such as this, to take on the environmental
19 determination themselves and to make that environmental
20 determination in order for the project to be completed.

21 So what you would be making a motion on is that you're
22 determining their environmental review as exempt from
23 further environmental review needed, if that helps.

24 CHAIRMAN WILLIAMS: Okay.

25 VICE-CHAIR FITZPATRICK: Question, Chairman. I

1 have a question.

2 CHAIRMAN WILLIAMS: Please.

3 VICE-CHAIR FITZPATRICK: With that thought,
4 Jennifer, is there liability on our behalf on, on that?

5 MS. OLSON: So any environmental decision that
6 the Board makes, the Board has the responsibility and the
7 liability if there were any questions. So that's why
8 you're holding it here at a public meeting, because any
9 public entity that has interest in the project itself
10 would be able to provide comment in regards to saying that
11 they feel like that's not the appropriate determination.
12 And so your -- the Board does have that responsibility and
13 holds that liability as that determination is made.

14 The option that we've talked about numerous times,
15 particularly at the Coal Board orientation and then I
16 think most recently at the September meeting, is that the
17 Board can require that the local government or the
18 eligible applicant complete the environmental review
19 process and come back to the Board with that completed
20 process in order to move forward. So it's not solely on
21 your shoulders. You can actually take an alternative
22 action.

23 You can also -- and I apologize, I didn't mean to say
24 exempt. They are categorically excluded. And I
25 apologize. In your Coal Board orientation binder, we went

1 through several different slides about environmental, and
2 one of those is that the Board can make an exclusion, a
3 categorical exclusion. I guess I said that wrong,
4 actually. But you can make a determination of categorical
5 exclusion, saying basically that, at the public meeting
6 that there's no impact, no further environmental review
7 required. But then again, as you pointed out,
8 Vice-Chairman, it would be a, a board liability.

9 CHAIRMAN WILLIAMS: Okay. Board action on that
10 item. It's a piece of equipment. So I'll entertain a
11 motion to exempt.

12 BOARD MEMBER SCHAFF: I'll move to provide that
13 exemption.

14 CHAIRMAN WILLIAMS: And second?

15 VICE-CHAIR FITZPATRICK: And this is for
16 Musselshell's equipment; right?

17 CHAIRMAN WILLIAMS: Golden valley.

18 VICE-CHAIR FITZPATRICK: Oh. Golden valley?

19 MS. PICHETTE: It is Golden Valley for the
20 Jaws of Life purchase.

21 VICE-CHAIR FITZPATRICK: Oh, Jaws of Life
22 purchase. So does that need an environmental...

23 MS. OLSON: So that's, that's exactly why you can
24 make this action and take this action.

25 VICE-CHAIR FITZPATRICK: So it's kind of a hit

1 and miss depending on -- Okay.

2 MS. OLSON: The type of project.

3 VICE-CHAIR FITZPATRICK: I second it.

4 MS. OLSON: And the other reason that I would
5 say, as we've chatted about before, is that the
6 opportunity for the public being engaged here is to
7 present information that would otherwise help to further
8 define if there is environmental impact. So there is --
9 if that's part of the exclusion, the items that are
10 excluded, it's typically minor repairs, vehicle equipment
11 purchases, et cetera, et cetera. Those tend to be
12 considered exempt. We would agree with that.

13 However, we don't understand the full context of what
14 that equipment purchase might be, you know, being used for
15 or how that relates to the environment. Local interested
16 parties probably would have some thought about that. So
17 as part of the Coal Board review process, we say just go
18 through an environmental public hearing process, public
19 meeting, engage the public and see if there's any
20 comments. So that's what we're replicating here today.

21 VICE-CHAIR FITZPATRICK: Thank you.

22 CHAIRMAN WILLIAMS: Other discussion?

23 Comments from the public?

24 BOARD MEMBER HENNING: And I have a, maybe a
25 comment/question.

1 CHAIRMAN WILLIAMS: Sure.

2 BOARD MEMBER HENNING: Since I'm new to this
3 process. Is there a reason why these communities have not
4 gone forward with this environmental process?

5 MS. OLSON: And maybe I'll just chime in. I
6 don't know that we can exactly answer that. As part of
7 our application, the Coal Board application, which the
8 Board sets the format of the application, an environmental
9 review process is outlined as the steps that you need to
10 complete. I think in the past 12 months we've done
11 eight trainings on that to offer people assistance to go
12 through that. And as you can see in our staff report, our
13 recommendation is that the project does not get funded
14 because it hasn't completed the environmental review
15 process as an example.

16 So -- but as to the specifics of why, I, I don't know
17 that we can totally answer that each time.

18 CHAIRMAN WILLIAMS: Typically, a piece of
19 equipment like that, you know, what we would like to have
20 them do is go through the part of the process as far doing
21 meetings, you know, that type of thing. You know,
22 that's -- but we moved, we already moved on this, awarding
23 it, and so we're kind of catching up. What we should have
24 done at that time was addressed it when the award was
25 made, which we did not do. So that's what should have

1 happened. So it's just catching up.

2 Other discussion?

3 MS. BAILEY: I don't know if I missed my
4 opportunity or not, but Mr. Chairman, Board Members, I
5 would say that I apologize. I did not realize that this
6 would be discussed today or how it would be handled. My
7 file that covers that activity has additional information
8 that I could mail in later, but I don't have that with me.
9 And I apologize.

10 CHAIRMAN WILLIAMS: Thank you.

11 BOARD MEMBER SCHAFF: Kathie.

12 CHAIRMAN WILLIAMS: Yes.

13 BOARD MEMBER SCHAFF: The information you have is
14 on the Golden valley grant?

15 MS. BAILEY: Yes. I'm, I'm reasonably sure. I
16 mean, like I don't have my file right in front of me to
17 look, but I'm reasonably sure that we did, did additional
18 environmental issues with the Golden valley County
19 Commissioners on another meeting, subsequent meeting.
20 Because we had the application in, like, nine months
21 before you could act on it and so there was time, and they
22 did do some additional things. But I don't have that with
23 me.

24 It is equipment. In all other grants, equipment is
25 exempt and we don't go through this environmental process.

1 CHAIRMAN WILLIAMS: Okay. Thank you.

2 Vote, please.

3 MS. PICHETTE: Vice-Chair Fitzpatrick.

4 VICE-CHAIR FITZPATRICK: Yes.

5 MS. PICHETTE: Shawn Fredrickson.

6 BOARD MEMBER FREDRICKSON: Yes.

7 MS. PICHETTE: Amber Henning.

8 BOARD MEMBER HENNING: Yes.

9 MS. PICHETTE: Marianne Roose.

10 BOARD MEMBER ROOSE: Yes.

11 MS. PICHETTE: Tim Schaff.

12 BOARD MEMBER SCHAFF: Yes.

13 MS. PICHETTE: Veronica Small-Eastman.

14 BOARD MEMBER SMALL-EASTMAN: Yes.

15 MS. PICHETTE: Chairman Williams.

16 CHAIRMAN WILLIAMS: Yes.

17 Thank you. Next one.

18 MS. PICHETTE: The next one is No. 0836. It was
19 the Rosebud County Sheriff's Office equipment and
20 upgrades. And they provided a copy of their notice for
21 their meeting. We just have not received the subsequent
22 agenda or minutes that show the determination was made at
23 the public meeting.

24 CHAIRMAN WILLIAMS: Could we, on that particular
25 one, request them to provide that? Let's go ahead and

1 approve it and request them to provide that as follow-up.
2 Approve the exemption with a follow-up of requesting them
3 to provide that information. Okay? Could that be our
4 motion? Okay.

5 BOARD MEMBER HENNING: So motioned.

6 CHAIRMAN WILLIAMS: And second, please.

7 BOARD MEMBER SCHAFF: Second.

8 CHAIRMAN WILLIAMS: It's been moved and seconded
9 to exempt that with the request for them to provide the
10 documentation of their public meeting. Discussion?

11 Comments from the public?

12 Okay. Vote, please.

13 MS. PICHETTE: Vice-Chair Fitzpatrick.

14 VICE-CHAIR FITZPATRICK: Yes.

15 MS. PICHETTE: Shawn Fredrickson.

16 BOARD MEMBER FREDRICKSON: Yes.

17 MS. PICHETTE: Amber Henning.

18 BOARD MEMBER HENNING: Yes.

19 MS. PICHETTE: Marianne Roose.

20 BOARD MEMBER ROOSE: Yes.

21 MS. PICHETTE: Tim Schaff.

22 BOARD MEMBER SCHAFF: Yes.

23 MS. PICHETTE: Veronica Small-Eastman.

24 BOARD MEMBER SMALL-EASTMAN: Yes.

25 MS. PICHETTE: Chairman Williams.

1 CHAIRMAN WILLIAMS: Yes.

2 Thank you. That's passed.

3 Next one.

4 MS. PICHETTE: The next one is No. 0837. It was
5 the Town of Broadus, and the project was the Powder River
6 First Responders capnography machine. And the
7 environmental documentation we received for that was an
8 agenda. We did receive meeting minutes. The minutes,
9 however, did not reflect that a determination was made at
10 that meeting.

11 CHAIRMAN WILLIAMS: Okay. I now request the
12 Board to make the same motion on that, with them to
13 provide follow-up information. Okay.

14 BOARD MEMBER HENNING: So motioned.

15 CHAIRMAN WILLIAMS: And second?

16 BOARD MEMBER SCHAFF: Second.

17 CHAIRMAN WILLIAMS: It's been moved and seconded
18 to exempt them, with them to follow up with the required
19 information. Discussion?

20 Discussion of the public?

21 MR. ATCHISON: Jim Atchison with Southeastern
22 Montana Development. We did this for the Town of Broadus,
23 and we were under -- I was not aware that this was coming
24 up today either. But we will double-check and -- we
25 thought it was taken care of, but we'll follow up with

1 that. They've been very accommodating, so it should be a
2 nonissue.

3 CHAIRMAN WILLIAMS: Okay. Great.

4 MR. ATCHISON: Thank you.

5 CHAIRMAN WILLIAMS: Thank you.

6 Next one.

7 MS. PICHETTE: Mr. Chairman, did you want me to
8 do a vote with your motion and second?

9 Vice-Chair Fitzpatrick.

10 VICE-CHAIR FITZPATRICK: Yes.

11 MS. PICHETTE: Shawn Fredrickson.

12 BOARD MEMBER FREDRICKSON: Yes.

13 MS. PICHETTE: Amber Henning.

14 BOARD MEMBER HENNING: Yes.

15 MS. PICHETTE: Marianne Roose.

16 BOARD MEMBER ROOSE: Yes.

17 MS. PICHETTE: Tim Schaff.

18 BOARD MEMBER SCHAFF: Yes.

19 MS. PICHETTE: Veronica Small-Eastman.

20 BOARD MEMBER SMALL-EASTMAN: Yes.

21 MS. PICHETTE: Chairman Williams.

22 CHAIRMAN WILLIAMS: Yes.

23 Okay. That's passed.

24 Okay. Next, Anne.

25 MS. PICHETTE: Sorry, Mr. Chairman. I lost my

1 spot. The next one is No. 0838. It is for the Town of
2 Roundup, and it was for the public works department end
3 dump purchase. And the only item -- we received
4 everything from them. The only item we're missing is the
5 actual determination happening in the minutes. So we
6 received the minutes. However, the minutes do not state
7 that their determination was made for a categorical
8 exclusion.

9 CHAIRMAN WILLIAMS: Okay. Let's do a motion on,
10 on moving that exemption forward, with them to follow up
11 with that information to the Board.

12 BOARD MEMBER SCHAFF: So moved.

13 CHAIRMAN WILLIAMS: And second?

14 BOARD MEMBER HENNING: Second.

15 CHAIRMAN WILLIAMS: Discussion?

16 Comments from the public?

17 Vote, please.

18 MS. PICHETTE: Vice-Chair Fitzpatrick.

19 VICE-CHAIR FITZPATRICK: Yes.

20 MS. PICHETTE: Shawn Fredrickson.

21 BOARD MEMBER FREDRICKSON: Yes.

22 MS. PICHETTE: Amber Henning.

23 BOARD MEMBER HENNING: Yes.

24 MS. PICHETTE: Marianne Roose.

25 BOARD MEMBER ROOSE: Yes.

1 MS. PICHETTE: Tim Schaff.

2 BOARD MEMBER SCHAFF: Yes.

3 MS. PICHETTE: Veronica Small-Eastman.

4 BOARD MEMBER SMALL-EASTMAN: Yes.

5 MS. PICHETTE: Chairman Williams.

6 CHAIRMAN WILLIAMS: Yes.

7 Okay. That's approved.

8 Next one, Anne.

9 MS. PICHETTE: The next one is complete, so that
10 is the end of your list, Mr. Chairman.

11 CHAIRMAN WILLIAMS: We're okay? Are we done?

12 BOARD MEMBER SCHAFF: Mr. Chairman.

13 CHAIRMAN WILLIAMS: Yes, Mr. Schaff.

14 BOARD MEMBER SCHAFF: So basically what's missing
15 is there's not a motion from these people that they are
16 determining this -- and a second and a vote on whether
17 they determine these had a categorical exemption? That's
18 what you need in the minutes from them?

19 MS. PICHETTE: That is correct. They have
20 provided -- the ones that provided minutes did provide
21 minutes. The minutes just did not show that they made a
22 determination at the meeting that they held.

23 BOARD MEMBER SCHAFF: And to do that, they have
24 to make a formal motion, second, and have a vote on it;
25 right?

1 MS. OLSON: All we're looking for is that the
2 meeting minutes say that the local government made a
3 determination that it's, it's excluded, and then that
4 would be good.

5 BOARD MEMBER SCHAFF: Okay.

6 MS. OLSON: And Mr. Chairman, just to note, this
7 part of the agenda was just for the applications that were
8 already awarded at the January meeting where environmental
9 determination was not clear or was not expected. When you
10 get to your tabled applications, there will be one that I
11 will have information to provide to you about what they
12 have and have not provided.

13 CHAIRMAN WILLIAMS: There's one missing on the
14 table, that is.

15 MS. OLSON: Correct. Just as a heads-up, but
16 we're only on the awarded ones right now.

17 CHAIRMAN WILLIAMS: Okay.

18 MS. OLSON: So I don't want to bring that in
19 unless that's something you'd like me to do.

20 CHAIRMAN WILLIAMS: Okay. Very good.

21 Okay. Let's now go to the tabled. Okay. (Inaudible)
22 my thoughts here. Okay. We have -- on our tabled items,
23 we've got requested funding, a total of \$786,460 on the
24 tabled items. And then as I mentioned this morning, we
25 have the new applications that total \$824,600 -- or no.

1 Yeah, \$324,600. And then we have some unknowns coming up
2 in June. We anticipate or we know that we will have
3 available -- what is appropriated is \$597,696. So
4 Board Members, we can -- you see that we have a very, very
5 large number and we do not have an available
6 appropriation.

7 So my suggestion to the Board is this: We go through
8 the tabled items, that's 841 through 846, and make our
9 awards -- take them off the table, make our awards. But
10 we need to have in the back of our minds how much money we
11 have. So that means that those requested amounts will
12 need to be different from what is awarded if we need to --
13 if we're going to move forward with this. So we need to
14 look at those numbers constructively on looking towards
15 the end of the year, which is in the end of June.

16 But let's, my recommendation is let's take them off
17 the table, make our awards so those folks know what will
18 be available and move forward in the process. But the
19 applicants will need to understand that they will not
20 be -- have a contract in place until revenue is actually
21 available for that project or that piece of equipment. So
22 we have to go through that, go through that and make the
23 appropriate reductions or non-approval on those
24 applications. Are we -- am I -- Are there any questions
25 to what I've just stated?

1 we're at the process where we have to look very --
2 make some difficult decisions on our future, on awards
3 because we don't have the funds to, to -- that we would
4 like to have to recognize that. Are we okay with that?

5 VICE-CHAIR FITZPATRICK: Can I have -- make some
6 comment?

7 CHAIRMAN WILLIAMS: Yes.

8 VICE-CHAIR FITZPATRICK: So 0841, most of them
9 are my county, so I don't have a vote because I'll have to
10 recuse myself. Here's some thought. Maybe let, let each
11 applicant, if we can come up with maybe even paying half
12 of that. For instance, here's Big Horn County law
13 enforcement vehicle. Instead of 69,000, if they
14 understand the Coal Board lack of funding, maybe half
15 or -- it's just a thought. I'd like to see the whole
16 funding because it's my county, but I don't, I don't have
17 a -- I have to recuse myself.

18 BOARD MEMBER ROOSE: John, I have a question.

19 CHAIRMAN WILLIAMS: Yes.

20 BOARD MEMBER ROOSE: This is Marianne. I just --
21 in regards to Sidney's comment about recusing himself, I
22 know other board members and you have had requests that
23 are for your county. Do all of you folks recuse yourself
24 when there is a vote that affects your county or do you
25 vote on it? What has been the practice in the past?

1 CHAIRMAN WILLIAMS: If there's an item that comes
2 up with Colstrip, I'll be removing myself from that.

3 BOARD MEMBER ROOSE: Okay. Thank you.

4 CHAIRMAN WILLIAMS: Okay. So that's where --

5 BOARD MEMBER SMALL-EASTMAN: Mr. Chair.

6 CHAIRMAN WILLIAMS: -- we're at, Board Members.
7 We need to -- Yes.

8 BOARD MEMBER SMALL-EASTMAN: Mr. Chair, she was
9 asking how you handled your positions in the past. And I
10 feel that we're put into this position to represent our
11 constituents; and by representing our constituents, it
12 would seem like we'd have to be proponents for the
13 applicant and also to vote for our applicants -- for our
14 constituents' applications. And so Marianne, her comment
15 was what was the process in the past.

16 CHAIRMAN WILLIAMS: well, the process --

17 BOARD MEMBER SMALL-EASTMAN: And then lately now
18 they're asking to recuse ourselves for the present.

19 CHAIRMAN WILLIAMS: The process in the past has
20 gone both ways. But Amy, through her review of the
21 statute has -- and I won't speak for you, Amy, but you've
22 made the recommendation that that not occur; that we
23 remove ourselves from the vote. If you would like to
24 address that, Amy, please.

25 MS. BARNES: Sure. So you have internal

1 management procedures that address the conflict of
2 interest. But then there are also the code of ethics,
3 which as Coal Board Members, you also have to follow. And
4 the code of ethics is a little bit more stringent than the
5 actual conflict of interest rule that you have in your
6 internal management procedures.

7 So it would be my recommendation that if you have a
8 direct conflict of interest, that instead of just recusing
9 yourself from actually -- so the conflict of interest in
10 your internal management procedure says that you may not
11 participate in any decision that's relating to contracts
12 that affect your personal interest or the interest of any
13 corporation, partnership, or association in which you are
14 directly or indirectly interested or you have a personal
15 or pecuniary interest, direct or indirect, in the contract
16 or in the process thereof.

17 And the way that your management procedures has
18 actually defined what participate means, it means that you
19 are prohibited from making motions, seconding motions, and
20 voting. So as a baseline, that's my recommendation, that
21 you definitely do not participate by making motions,
22 seconding motions, or voting.

23 VICE-CHAIR FITZPATRICK: I have a question. So
24 you can't even comment or try to influence or anything?
25 Where does that lie?

1 MS. BARNES: So that is up to a determination of
2 how you actually interpret what participate means when
3 you're looking at the code of ethics. They don't actually
4 define what it means. I think that's part of how the
5 public will perceive how you participate. And if you are
6 sitting as a Coal Board Member and trying to wear dual
7 hats as the county commissioner at the same time, it could
8 be perceived as participation.

9 VICE-CHAIR FITZPATRICK: I think that has to play
10 a big role, because, you know, we never know who's sitting
11 in the crowd. And so -- That's, that's just my thoughts.
12 And so if you look at the City of Hardin, Lodge Grass, I
13 play a role in there. They're my -- we work with them,
14 government-to-government relationships. So my thoughts
15 there is -- You know what I'm saying? Even though I don't
16 work for the City of Hardin, but we work right along with
17 them and we do business, and the same with Lodge Grass. I
18 mean, that kind of -- that's a fine line for me in my code
19 of ethics and in my thoughts.

20 CHAIRMAN WILLIAMS: Okay. Other discussion?

21 Okay. Board Members, are we okay with walking
22 through -- Here's my other thought. We would go
23 completely through, need to be reminded I think of the
24 applicants, need to take them off the table and walk all
25 the way through, and we go back and make the awards,

1 keeping in mind the available money.

2 Okay. Before we begin the process, however, are there
3 any of the tabled applicants that would like to change any
4 request before we...

5 MR. GERKE: Mr. Chairman, Members of the Board.
6 Again, my name is Dennis Gerke. I'm the superintendent at
7 Hardin Schools. I'd like to address project No. 0846,
8 activity center pool roof replacement. We would like
9 to -- in an effort to help out the challenges the Board
10 has and funding for these other projects, we would like to
11 reduce our asking amount by \$100,300. So the asking
12 amount would be 284,000.

13 And I would also like to add in there while I'm up
14 here that our board has approved going to our voters for a
15 building reserve levy for our elementary. We are asking
16 for \$100,000 over the next 10 years from our elementary
17 district, and we are asking for 50,000 a year for the
18 period of 10 years for our high school district in an
19 effort to partner with everybody on that.

20 So again, from 384,300 down to 284,000 that we are
21 asking for. I'd entertain any questions at this time.

22 CHAIRMAN WILLIAMS: What I'll do, Superintendent,
23 is we'll take that off the, off the table and then we can
24 address that further. Okay?

25 MR. GERKE: Thank you.

1 CHAIRMAN WILLIAMS: Are there any other?

2 Hearing none, we're going to go ahead and...

3 MAYOR PURCELL: Thank you. I want to thank the
4 Board for allowing me to go back through our application
5 last time and redefine where our funds were and look for
6 some more sources. We were able to get the bid process
7 started and able to reduce our asking on our application,
8 to reduce it to \$129,296.

9 CHAIRMAN WILLIAMS: Just a second. Name, please,
10 and --

11 MAYOR PURCELL: Oh, I'm sorry.

12 CHAIRMAN WILLIAMS: -- what are you talking
13 about?

14 MAYOR PURCELL: Joe Purcell. City of Hardin
15 application No. 844. My apologies. The paving project
16 for the Terry Avenue street project. I had tabled that
17 application at the last meeting, and then we had brought
18 that forward this meeting. So in review, we were able to
19 reduce that amount of our request.

20 CHAIRMAN WILLIAMS: You're removing that? Is
21 that correct; you're removing that?

22 MAYOR PURCELL: Reduce it. We removed it last
23 time or tabled it last time --

24 CHAIRMAN WILLIAMS: Okay.

25 MAYOR PURCELL: -- but reducing the requested

1 amount to 129,296. We were able to pull some more city
2 funds into the project, and our bids came out a little bit
3 less than we had anticipated.

4 CHAIRMAN WILLIAMS: Okay.

5 MAYOR PURCELL: Thank you.

6 CHAIRMAN WILLIAMS: Thanks. It's still not going
7 to get there. Let's go, let's just go ahead and walk down
8 through these rather than -- let's -- Yeah. Let's take --
9 I'll entertain a motion to remove 841, 842, 843, 844, 845,
10 and 846 from the table.

11 BOARD MEMBER SCHAFF: So moved.

12 CHAIRMAN WILLIAMS: Second, please.

13 BOARD MEMBER ROOSE: I'll second.

14 CHAIRMAN WILLIAMS: It's been moved and seconded
15 to remove those applications from the table. Discussion?
16 Comments from the public?
17 Vote, please.

18 MS. PICHETTE: Vice-Chair Fitzpatrick.

19 VICE-CHAIR FITZPATRICK: I recuse since they're
20 all in my county.

21 MS. PICHETTE: Shawn Fredrickson.

22 BOARD MEMBER FREDRICKSON: Yes.

23 MS. PICHETTE: Amber Henning.

24 BOARD MEMBER HENNING: Yes.

25 MS. PICHETTE: Marianne Roose.

1 BOARD MEMBER ROOSE: Yes.

2 MS. PICHETTE: Tim Schaff.

3 BOARD MEMBER SCHAFF: Yes.

4 MS. PICHETTE: Veronica Small-Eastman.

5 BOARD MEMBER SMALL-EASTMAN: Yes.

6 MS. PICHETTE: Chairman Williams.

7 CHAIRMAN WILLIAMS: Yes.

8 okay. That's passed to remove all those applicants
9 from the table. Now we'll begin the process. Everybody
10 keep in mind what we have. Available appropriation is
11 \$597,696. That's what we have for the rest of this year.

12 Big Horn County, 841. This is the law enforcement
13 vehicle fleet upgrade.

14 Go ahead, Anne.

15 MS. PICHETTE: Thank you, Mr. Chairman.
16 No. 0841, Big Horn County law enforcement vehicle fleet
17 upgrade, \$69,646. The applicant is requesting \$69,646, of
18 a total project cost of \$99,646, in Coal Board funds to
19 complete the purchase of two new patrol vehicles. The
20 request to the Board is 70 percent of the project cost.

21 The applicant states the need to upgrade vehicles as
22 the current fleet has aging vehicles with high miles. The
23 existing fleet of 13 vehicles includes 8 with over
24 70,000 miles.

25 CHAIRMAN WILLIAMS: Mr. Fenner.

1 COMMISSIONER FENNER: Mr. Chairman and Members of
2 the Coal Board. My name is Chad Fenner, a Big Horn County
3 Commissioner. I come before you for the law enforcement
4 vehicles. We, we got a couple that need to be replaced.
5 We're in a union; we have a union contract. I know the
6 mileage is probably more than when we sent that. They
7 come to 120,000 and we've got a union that makes us
8 replace them.

9 And usually on the deals like this, in the past we've
10 always given 50 percent. I know Board Member Fitzpatrick
11 said that. We always try to match the Coal Board, the
12 funding from Big Horn County. And with the reduction of
13 coal in this past year or two, we've, we've noticed a
14 decline and that's why we went to 30 percent on that.

15 And like I said, these vehicles are needed. I mean,
16 crime everywhere, Big Horn County, is on the rise and it's
17 something, a tool that we need. We need that.

18 And I also want to -- we have, like was said coming up
19 here, the library, the fairgrounds, the City of Hardin,
20 and the Hardin Public Schools. Big Horn County also wants
21 to support them. And if you have any more questions -- I
22 know you heard the, our Undersheriff Fuss speak of this
23 last meeting, but if you have any more questions, he's
24 here to answer any questions you have.

25 Thank you.

1 CHAIRMAN WILLIAMS: Questions from the Board?

2 BOARD MEMBER SMALL-EASTMAN: Mr. Chair.

3 Mike, my only --

4 CHAIRMAN WILLIAMS: Veronica.

5 BOARD MEMBER SMALL-EASTMAN: -- comment is as a
6 constituent of Big Horn County and just yesterday driving
7 to Billings, seeing the sheriff's vehicles out on the
8 interstate just parked there. I kind of feel like why are
9 we patrolling the interstate and not the Big Horn County
10 road? And why are all the sheriff -- the Big Horn County
11 Police Department being, serving Hardin more so than their
12 satellite communities, such as Hardin -- or such as
13 Lodge Grass, Crow Agency, Wyola, and Pryor? Why isn't
14 that happening? We need to see more police out in those
15 areas rather than out on the interstate parked there.

16 COMMISSIONER FENNER: I can answer part, part of
17 that last question. I know the City of Hardin pays us a
18 fee to police, to police the area. But overall, Big Horn
19 County sheriffs gotta -- you know, they're, of course
20 they're more busy in town. Most of the crime is in town.
21 Probably 85 percent of the crime is in Hardin, Montana.

22 Of course, there's, there's stuff all over the county
23 that goes -- And a lot of times I know we're getting calls
24 from the commissioners' office, you know, that -- after
25 the fact, of course, it's always after the fact, that they

1 go and a crime is committed and stuff. But basically, you
2 know that -- you know, to get a service, you've got to pay
3 for it. Everything you've got to pay for nowadays. And
4 the City of Hardin has come up, you know, and has paid us.

5 And of course, we could definitely use more deputies.
6 That's, that's an issue that's been around since I've been
7 commissioner. You always need more deputies. But of
8 course, in turn, that means more taxes and stuff.

9 But that part, you know -- I know they're moving
10 around a lot more. They're going to satellite areas where
11 you're talking about, the small towns in the county and
12 stuff. They have done that a lot better under the new
13 sheriff. And hopefully we can see more of that. But like
14 I said, to get deputies out there, of course, you need
15 vehicles, which we're asking for, and you need the
16 deputies themselves, which is -- you know, it's all, it's
17 all money. It's all taxes.

18 And Mike, you might, you might want to talk about on
19 the interstate.

20 MR. FUSS: And I apologize, I'm trying to fight
21 off a cold. But a lot of times those deputies are on the
22 interstate because we get calls from other agencies such
23 as Yellowstone County or BIA and we're looking for a
24 certain vehicle that might be a drunk driver or a stolen
25 vehicle. And sometimes those deputies are sitting out

1 there in those turnarounds waiting for that vehicle.

2 The other thing is, is MHP is not always on down
3 there, and we have extremely bad accidents on that -- as
4 you know, on that interstate, and so the deputies are the
5 first ones to respond, and they have to wait for a Highway
6 Patrolman to come down. But most of the time they're
7 awaiting -- it's an agency assist for another vehicle.

8 I make the schedule and I put those deputies on county
9 patrol. So you'll have one or two deputies that are only
10 out in the county, they're not in town. But as
11 Commissioner Fenner said, we are short-staffed and
12 sometimes I can't get two people out in the county at one
13 time. So they have -- we have a certain amount we have to
14 keep in town for the contract with the City.

15 BOARD MEMBER SMALL-EASTMAN: Okay. Thank you.

16 CHAIRMAN WILLIAMS: Okay. I'd like to get it
17 back to the piece of equipment. You've got
18 three applications in here, Big Horn County library, law
19 enforcement, fairgrounds. Do you have any priorities on
20 any of those that you would like to move forward with?

21 And the other, the other comment, Chad, is the fact of
22 the cost of that piece of equipment, that I have -- I can
23 put a piece of equipment out, a brand new one, for
24 \$37,000.

25 COMMISSIONER FENNER: That's totally equipped.

1 Radar, I mean, it's --

2 CHAIRMAN WILLIAMS: Yes. And that's -- Yes. I'd
3 be glad to share this information with you. But that's,
4 that's what we can put out a piece of equipment, \$37,735.
5 There wasn't any trade-in on this either, I don't think on
6 the \$100,000 unit.

7 By anyway, back to my first question. You've got
8 three, three applications here. Do you have a priority on
9 any of those?

10 COMMISSIONER FENNER: I've been on that side of
11 the table. They're all important. I can't, I can't pick
12 one out. I mean, it's -- they're all, all important.

13 CHAIRMAN WILLIAMS: Okay. So we'll, we'll have
14 to go through with what we're going through. Okay.

15 BOARD MEMBER HENNING: I guess, Mr. Chairman, I
16 had a comment to make and a question too.

17 I was looking at the quote in, in your application
18 packet. And I was wondering if you received any other
19 quotes from any other entities to get these vehicles
20 possibly at the lower price that the Chairman was alluding
21 to.

22 MR. FUSS: I'm sorry. (Inaudible).

23 BOARD MEMBER HENNING: Yes. I had a question on
24 the vehicle quote that was in your submission, application
25 submission, and I was wondering if you had received any

1 other quotes for vehicles and what those prices were and
2 if they were at a lower price. I know the Chairman was
3 alluding earlier that possibly he has gotten vehicles at a
4 lower price than what is estimated in your application.

5 MR. FUSS: Not that I'm aware of. I don't
6 believe he went to anyone else. The sheriff is the one
7 that got the quotes. And those come from a, a person that
8 we buy all of our cars from.

9 COMMISSIONER FENNER: Mr. Chairman, we can do one
10 car, do one car from you folks, and then if you fund the
11 rest of the ones. They're small ones. That car is
12 probably kind of covering the two other.

13 CHAIRMAN WILLIAMS: What's the least amount you
14 can get by with here?

15 COMMISSIONER FENNER: (Inaudible).

16 MR. FUSS: (Inaudible) Ford Interceptors.

17 Maybe I can make a suggestion. If we -- we could, we
18 could probably reduce that if we can go get a quote for
19 two pickups, which are way cheaper than the Ford
20 Interceptors. But I think like you said, Chairman, you
21 know -- I'm not sure if that's what your quote's on, is
22 37,000.

23 CHAIRMAN WILLIAMS: It's pickups.

24 But what's the least amount you can get by with?

25 (Inaudible conversation.)

1 COMMISSIONER FENNER: 35,000.

2 CHAIRMAN WILLIAMS: Okay. Other questions?

3 And one other thing I'm going to come after you on,
4 Mr. Fenner, and you've heard me say this before, Big Horn
5 County has no debt; correct?

6 COMMISSIONER FENNER: You are correct. And I'm
7 proud of that. That's my job. That's my job as a county
8 commissioner.

9 CHAIRMAN WILLIAMS: I understand that. But on
10 the criteria, statutory criteria, one of the issues that
11 we need to look at as a board, it says you shall look at,
12 is the county's indebtedness or local government
13 indebtedness. So if I compare this with other, other
14 places that have significant debt, particularly
15 Musselshell County, significant debt, and so does Roundup,
16 another applicant. So that's the thing that we have to
17 look at. And that's great for you to stay debt-free, but
18 it is criteria, as you well know.

19 COMMISSIONER FENNER: But in the, in the -- You
20 heard the superintendent of schools, Mr. Gerke, say
21 there's taxes coming. We're trying to build a new jail.
22 It's -- believe me, it's coming. It's coming.

23 CHAIRMAN WILLIAMS: Okay. Okay. Thank you.

24 Okay. I thought what we could do, if it's okay, with
25 the Board, we'll walk all the way through this and then

1 we'll go back and make our awards. The next one is 842,
2 Big Horn County, library capital improvement needs.

3 MS. PICHETTE: Thank you, Mr. Chair. No. 0842,
4 Big Horn County, library capital improvement needs.
5 \$30,433. The applicant is requesting \$30,433, of a total
6 project cost of \$40,433, in Coal Board funds to complete
7 the purchase of equipment for the library. The request to
8 the Board is 75 percent of the project cost.

9 The applicant states the need to upgrade equipment as
10 the current computer hardware, software, and wireless
11 routers are aging and problems are being experienced.

12 CHAIRMAN WILLIAMS: Okay. Thank you.

13 Big Horn County.

14 MS. BOYER: Hi, Mr. Chairman and Members of the
15 Board. My name is Donelle Boyer. I am the director at
16 the Big Horn County Library. We have eight public access
17 computers for adults, we have five public access computers
18 for the children, three card catalogs, and six staff
19 computers that we're looking at upgrading to more current,
20 updated equipment.

21 Right now our -- all of our computers are about
22 eight years old. People that are going to college and
23 even to high school, their home computers that they're
24 purchasing have newer software than what we are able to
25 help them with. And so we have people that are coming in

1 needing to print out projects or work on projects,
2 resumés, job applications and such that our computers
3 won't handle what they're doing. And if they bring their
4 own equipment in, it's not -- our printers aren't able to
5 print because the applications are too old for the
6 machines that are available.

7 This last month, the library was open 19 days in
8 February. We had 150 children sessions on those
9 five computers and we had 697 adult sessions, which gives
10 us over 480 hours of computer usage just in February.
11 Right now we have, one of our modems is down at the
12 library. We've been kind of gimping along trying to --
13 for our WiFi, and we have not been able to give our
14 patrons the WiFi service that they have come to expect
15 because we can't afford the new modem.

16 I guess that's -- if you have any questions, I'll try
17 and answer them for you.

18 CHAIRMAN WILLIAMS: Okay. Questions from the
19 Board?

20 BOARD MEMBER HENNING: Yeah, a couple questions,
21 Mr. Chairman.

22 First off, I notice you have the, for the
23 environmentals, because we were just trying to --

24 MS. BOYER: Yes.

25 BOARD MEMBER HENNING: -- procedure-wise, your

1 minutes did not show that an environmental determination
2 made. Was there actually one that was not reflected in
3 your minutes?

4 MS. BOYER: We were told that we didn't need one
5 because it was equipment, and so I guess...

6 BOARD MEMBER HENNING: So --

7 MS. BOYER: That was my understanding.

8 BOARD MEMBER HENNING: -- the Board will have to.

9 CHAIRMAN WILLIAMS: Anne.

10 MS. PICHETTE: Mr. Chairman, and I apologize,
11 Amber, since you were not at the meeting. At the last
12 meeting there was some discussion back and forth regarding
13 the information provided in the staff summary because of
14 the entities of these last three that performed the
15 environmental process, after the January meeting, the
16 county commission, because the Big Horn County was the
17 actual applicant, went through the process. And you
18 should have that documentation in an envelope because it
19 wasn't part of the actual March binder.

20 So following the January meeting, the Big Horn County
21 Commission provided all of the environmental documentation
22 needed for the law enforcement vehicle upgrades, the
23 library capital improvement needs, and the one you may be
24 addressing next, 0843, which is the fairgrounds
25 improvement. So while the library did not, and that's

1 what the staff report reflects, you do have some
2 supplemental documents that were mailed out that Big Horn
3 County supplied for all three. If that's helpful.

4 BOARD MEMBER HENNING: Yes, it is. Thank you.

5 CHAIRMAN WILLIAMS: Other questions?

6 BOARD MEMBER HENNING: I did have a further
7 inquiry.

8 what other grants have you looked into for this
9 funding?

10 MS. BOYER: We haven't gone looking for any other
11 grants at this point. We got -- the commissioners have
12 been generous and have committed \$10,000 to the project,
13 and that's as far as we've gotten so far. We are working
14 with a capital improvement plan, putting it together so
15 that we can go and look for other grants if need be.

16 CHAIRMAN WILLIAMS: Other questions?

17 MS. BOYER: Oh. We are up for an election in
18 June where the library -- every two years the library goes
19 out and asks for five mills additional to what the
20 commissioners, the County gives us. And this year we're
21 looking at trying to make it permanent so that we don't
22 have to go to the election every, every two years and so
23 we can keep our funding at constant instead of not being
24 sure -- you know, worrying about it every two years. And
25 we are asking for six mills at this permanent levy.

1 CHAIRMAN WILLIAMS: So you're increasing your
2 mills? Is that what you're out for election, to increase
3 your mills; is that what you're saying?

4 MS. BOYER: Well, the commissioners give us
5 five mills, and we are -- we're not totally funded out of
6 the general fund, and so we go to the, we go to the voters
7 every two years to ask for an additional five mills to
8 fund the library at its current level. And because the
9 mills are down, the cost of a mill is -- or the mill is
10 down this year, that's why we're asking for the six mills
11 to still maintain where we are.

12 CHAIRMAN WILLIAMS: I see. So you're increasing
13 it from five to six, that's what you're requesting?

14 MS. BOYER: Yes.

15 CHAIRMAN WILLIAMS: Okay. You know, and of
16 course, my question is that \$30,000, could Big Horn County
17 just go ahead and fund that?

18 VICE-CHAIR FITZPATRICK: You know, Mr. Chairman,
19 Members of the Coal Board, this past year we used all of
20 our gross proceeds in the budget, you know, and so there
21 was -- you know, what came in went back in to providing
22 services at our county government: our library, our
23 roads, our ambulance. Ambulance this year, we're
24 projected to be 400,000 short by June 30. So, you know,
25 when you talk to us about, you know, can't you just do it,

1 you know, we're going to have to figure out how we're
2 going to pay our ambulance too. So...

3 Thank you, sir.

4 BOARD MEMBER HENNING: Mr. Chairman, I had
5 another question --

6 CHAIRMAN WILLIAMS: Yes. Please.

7 BOARD MEMBER HENNING: -- regarding quotes.
8 Did you receive any other quotes for this systems
9 upgrade?

10 MS. BOYER: No, we didn't. The quote that we
11 sent in is the company that we do all of our, we do all of
12 our computer -- I can't get the words out here, the
13 technical -- you know, they're the company that we go to
14 for all of our computers. And so they're familiar with
15 all of the infrastructure in the building and all of the
16 software and everything that we need to keep, keep going.

17 BOARD MEMBER HENNING: And further on this, on
18 this list, I guess what is the main priorities in your
19 library in this upgrade? What is, what is the most
20 important? Computers? WiFi? You know, from this list.
21 I know you would like all of it, but what's kind of the
22 pressing issues?

23 MS. BOYER: Oh. The computers is just, just -- I
24 guess it's all kind of tied together, because we do have
25 so many people that are coming in using the WiFi

1 connection as well as using it after hours. And, and then
2 the hardware itself in the building with the software is a
3 pressing issue for those that are coming in needing things
4 printed out for job applications, for unemployment, for,
5 you know, school applications, that type of thing. So
6 it's all kind of tied together.

7 CHAIRMAN WILLIAMS: Okay. Other questions?
8 Okay. Thank you.

9 MS. BOYER: Thank you.

10 CHAIRMAN WILLIAMS: Next is 843, Big Horn County,
11 fairgrounds improvements project, \$66,000 requested.

12 MS. PICHETTE: Mr. Chairman, 0843, Big Horn
13 County, fairgrounds improvement, \$66,785. The applicant
14 is requesting \$66,785, of a total project cost of
15 \$116,785, in Coal Board funds to complete the fairgrounds
16 improvement project. The request to the Board is
17 57 percent of the project cost.

18 The applicant states the need to make improvements
19 including a pump house, well, electrical, and waterline
20 work to improve the facility and provide for cost savings.

21 CHAIRMAN WILLIAMS: Okay. Thank you.

22 MS. GREENWALT: Hi. (Inaudible) record,
23 Linda Greenwalt, Big Horn County Fair Board, Hardin.
24 Mr. Chairman, Members of the Coal Board, Department of
25 Commerce, it's a pleasure to be back before you. As you

1 will recall, Big Horn Fair Board is requesting monetary
2 help with our project of drilling a water well, providing
3 irrigation water to our baseball fields and picnic areas
4 and livestock water to our arena, corrals, and to our
5 county stockyards.

6 In an effort to be fiscally responsible, the
7 fair board is always searching for ways to keep our
8 operational budget in check, and the county commissioners
9 have pledged \$50,000 towards our project, acknowledging
10 the importance of this project. It's the fair board's
11 wish that the Coal Board look favorably at our monetary
12 request. And if I can answer any questions, I would be
13 happy to do so. Thank you for your time. It's greatly
14 appreciated.

15 Questions? Questions?

16 BOARD MEMBER HENNING: The Chairman said he'd be
17 right back.

18 BOARD MEMBER SMALL-EASTMAN: The total amount of
19 your budget was 116,000; right?

20 MS. GREENWALT: Yes.

21 BOARD MEMBER SMALL-EASTMAN: And the County is --

22 MS. GREENWALT: Pledging 50,000.

23 BOARD MEMBER SMALL-EASTMAN: 50,000.

24 MS. GREENWALT: Yes, ma'am.

25 BOARD MEMBER SMALL-EASTMAN: Is there any other

1 grants that you're applying for or that's it?

2 MS. GREENWALT: No. At this time, that's it.
3 we've looked at grants for other upgrades, like playground
4 equipment and that kind of stuff. But those are further
5 out in the future. But as far as the dollar amount, we've
6 not looked at any other grants available. No.

7 BOARD MEMBER SMALL-EASTMAN: Thank you.

8 I appreciate the Big Horn County Commissioners for
9 budgeting 50,000 for --

10 MS. GREENWALT: Yeah. Our water charges for
11 irrigation from the City of Hardin is just like, if you'll
12 pardon the expression, eating our lunch. So...

13 BOARD MEMBER SMALL-EASTMAN: Thank you.

14 BOARD MEMBER HENNING: And with this new system
15 upgrade, are you indicating that that water cost would
16 then be lower?

17 MS. GREENWALT: As in for that area of the
18 facilities, the compound?

19 BOARD MEMBER HENNING: Correct.

20 MS. GREENWALT: Zero. Yes, ma'am.

21 BOARD MEMBER HENNING: All right. And I was
22 reading the material you submitted about your overall
23 improvement project for the fairgrounds. Where, where
24 does this specific project fit into that overarching
25 improvement plan?

1 MS. GREENWALT: Right now it's at the forefront
2 of the past five-year CIP plan. We are in the process of
3 updating the CIP plan. Actually, we've done work in
4 two meetings back-to-back to revisit projects that was on
5 the CIP plan moving forward and into the future. So we've
6 done, we are doing our homework to figure out -- and
7 ranking them as to which project in the future would be
8 the most important on the board side. Of course, it needs
9 to be filtered out through the commissioner side. But
10 yeah, we are, we are diligently working on that.

11 BOARD MEMBER HENNING: And so this process,
12 you're -- Is this one of the first projects you're
13 tackling in this improvement project?

14 MS. GREENWALT: Yes. Yes, ma'am.

15 BOARD MEMBER SMALL-EASTMAN: And I may mention, I
16 would like -- as a constituent of Big Horn County, I would
17 like to see, you know, the tour rodeos that go on that
18 Paula Small-Plenty, you know, is in charge of for the
19 rodeo region.

20 MS. GREENWALT: Uh-huh.

21 BOARD MEMBER SMALL-EASTMAN: And I'd like to see
22 some of those happening there at Big Horn County as -- you
23 know, as a fundraiser. And then I go to, go to Rosebud
24 County and look at their, their county fair. They have
25 concerts. They have the 4-H fair. I mean, they have the

1 carnival. They have the whole, whole thing going, and, I
2 mean, it's a big week for Rosebud County.

3 whereas, you know, we have our 4-H fair, and it's just
4 one week, and later on there's a carnival, you know, a
5 month later or a month earlier. And we just don't see
6 that happening. And I look at the facility, and it needs
7 to be utilized, you know. And I think that whether -- you
8 know, your Fourth of July rodeo, the roping that they
9 have, you know, I'd like to see a wrangler team roping
10 happening there. There could be a lot of things that
11 could be used for the, the cowboy country of Big Horn
12 County, you know, and that's what I'd like to see.

13 MS. GREENWALT: And we are working towards,
14 towards that area. And part of it is we actually have to
15 have somebody to manage and help -- The fair board members
16 are all nonpaid members. We're all appointed members. So
17 in order to do what you're asking, or suggesting we are
18 moving towards that direction. The fair board has
19 submitted membership to the Rocky Mountain Fair
20 Association. And actually, as part of our CIP plan, we
21 have requested funding for a part-time fair manager. Of
22 course, that's going to be out a couple years in the
23 future according to -- you know, depending upon the
24 funding.

25 But we are moving in that direction. We know we need

1 to do more and utilize our, our new facilities more. We
2 are moving that direction. Yes.

3 BOARD MEMBER SMALL-EASTMAN: Appreciate that.
4 Thank you.

5 CHAIRMAN WILLIAMS: Other questions?
6 Okay. Thank you.

7 MS. GREENWALT: You're welcome. Thank you.

8 CHAIRMAN WILLIAMS: Next is 844, City of Hardin.

9 MS. PICHETTE: Thank you, Mr. Chairman.
10 No. 0844, City of Hardin, high school, complete pavement
11 restoration, \$169,296. The applicant is requesting
12 \$169,296, of a total project cost of \$537,803, in
13 Coal Board funds to complete the street restoration near
14 and around Hardin High School. This request to the Board
15 is 31 percent of the project cost.

16 The applicant states that this project has been
17 discussed at several levels for over six years and has
18 been identified as a priority to community members. The
19 City of Hardin has worked with engineers to investigate
20 all solutions for the most expedient and cost-effective
21 way to repair or replace the problem streets.

22 This application is for the same project awarded at
23 the June 2017 meeting for \$243,903 and is a request for
24 additional funding. If the June 2017 awarded funds are
25 included, the request is 77 percent of the project cost.

1 CHAIRMAN WILLIAMS: Okay. Thank you.

2 MAYOR PURCELL: Chairman, Coal Board,
3 Joe Purcell, mayor of City of Hardin.

4 Like I stated earlier, I had asked for our application
5 to be tabled at the last meeting so I could review more
6 funding sources. I was hoping to be able to pull some
7 funds from our street maintenance, and with our snow
8 removal, it kind of took care of our extra budget through
9 that. We were able to reduce it by 40,000. So the
10 request I come with today is at \$129,296 to help kind of
11 complete that project.

12 Any questions of the Board?

13 BOARD MEMBER SMALL-EASTMAN: Mr. Chair.

14 CHAIRMAN WILLIAMS: Yes. Please.

15 BOARD MEMBER SMALL-EASTMAN: I would like to ask,
16 have you sought out additional funding from other agencies
17 that are part of the community of Hardin?

18 MAYOR PURCELL: We have, in the past have
19 solicited the school, see if they would help come in with
20 that project. The discussion was brought up over an SID,
21 which is kind of our last resort type of an option.

22 TSEP at this point we do not qualify for because of the,
23 the loans and stuff we have out at this time with our
24 industrial park.

25 So we have pursued other options, and that's why I

1 wanted to go back and look at our budget and see what I
2 could pull from that. We were able to pull some of our
3 gas tax money that will be put towards the project. And
4 again, I was going to look at the street, street
5 maintenance part of our budget, and that kind of got shot
6 out of the water with, with the snow removal.

7 BOARD MEMBER SMALL-EASTMAN: You mention the
8 Hardin School District. Have they provided a match at all
9 for any funds?

10 MAYOR PURCELL: No, they have not.

11 BOARD MEMBER SMALL-EASTMAN: They haven't?

12 MAYOR PURCELL: No.

13 BOARD MEMBER SMALL-EASTMAN: Thank you.

14 MAYOR PURCELL: You're welcome.

15 CHAIRMAN WILLIAMS: Mayor, what's your debt?

16 MAYOR PURCELL: Large. I don't have the exact
17 numbers with me. I do know that with our industrial park
18 and our, and our TSEP part, we're looking at approximately
19 20 million that we are paying down to, working with the
20 revenues on that. We have some tax issues with some of
21 the new, the new industry that has gone out north of our
22 town and we are working with that as well. So we do have
23 a pretty high debt ratio.

24 CHAIRMAN WILLIAMS: Are you, are you planning on
25 doing this whole project? Do you have money available to

1 do this whole project?

2 MAYOR PURCELL: We are short the 129,000 to do
3 the complete project.

4 CHAIRMAN WILLIAMS: That's what you're short,
5 129 --

6 MAYOR PURCELL: Correct.

7 CHAIRMAN WILLIAMS: 537,000 project and you're
8 short 129.

9 MAYOR PURCELL: Correct.

10 CHAIRMAN WILLIAMS: The additional money that
11 you'll receive as far as the gas tax ratio, have you, have
12 you identified where you're going to put that money?

13 MAYOR PURCELL: The current moneys and the
14 projected moneys for the next year or the next quarter is
15 around 120,000, and that money would be earmarked towards
16 this project. We do have the potential of looking forward
17 even to the next quarter, and the way I understand that
18 money is it's probably about the 30 to \$40,000.

19 CHAIRMAN WILLIAMS: So you could, you could set
20 aside some of those funds in order for this to move over
21 to this project, or had you planned on setting some of
22 those funds aside?

23 MAYOR PURCELL: The 120,000 is part of this
24 already.

25 CHAIRMAN WILLIAMS: Okay. I understand. What's

1 the attitude to -- on the high school, completion project?
2 I know that the superintendent's here. Is the school
3 interested in picking up any portion of that? I don't
4 know if I've asked that question before.

5 MAYOR PURCELL: I know they've been approached in
6 the past. I personally have not approached them since I
7 took over as mayor. There's been a, a history of, of the
8 ask through the school board that was denied. The way I
9 understand, the biggest hang-up is just the school board
10 has a lot of projects going themselves.

11 The main ask from the City to the school board was
12 because the street basically kind of surrounds the school.
13 It's our school parking lot. It's the main activity
14 entrance for all of our sporting events and that.
15 Budget-wise, I don't think it has been considered in as
16 far as the school board. I don't know all the details, of
17 course, of all that process, but...

18 The City and the school does not have a bad, a bad
19 rapport.

20 CHAIRMAN WILLIAMS: I'm not suggesting that. I
21 was just wondering if there was any commitment towards,
22 towards this because of the location of where your project
23 is. It's to serve the school, a part of it.

24 Okay. Any other questions?

25 And of course, you understand where we're at as far as

1 available money.

2 MAYOR PURCELL: I do.

3 CHAIRMAN WILLIAMS: It's a big project. A lot of
4 money. Even, even with your reduction of \$129,000, we
5 don't have enough money.

6 MAYOR PURCELL: I understand. Thank you for your
7 consideration.

8 CHAIRMAN WILLIAMS: Okay. Thank you.

9 Next is 845, Rosebud County.

10 BOARD MEMBER SMALL-EASTMAN: Sir, Mr. Chair, I'd
11 like to ask a question for Mr. Gerke, the superintendent.

12 MR. GERKE: Ms. Small-Eastman.

13 BOARD MEMBER SMALL-EASTMAN: Mr. Gerke, we've
14 been asking the, the mayor a couple questions about, you
15 know, the school district --

16 MR. GERKE: Yeah.

17 BOARD MEMBER SMALL-EASTMAN: -- contributing, and
18 I was just kind of wondering, what is the latest update
19 with the board?

20 MR. GERKE: Well, I've answered this question
21 before, and I'll answer it again. This happened way back
22 when, when we went to the City. And I guess maybe I can
23 throw my board under the bus a little bit because I'm
24 retiring here the 30th. But I went to the board and asked
25 the board for \$50,000 to contribute to this project.

1 okay? That was my ask.

2 I didn't have at that time the entire support of the
3 board to come up with that money for this street project
4 in front of the school because the street is considered
5 city property, was their rationalization on that. Okay?
6 So we wrote a letter in support, but at this point -- or
7 at that point when I went to the board, Veronica, they
8 were not willing to put in money to fix a city street.
9 You know, I hope that explains it.

10 And I might -- and I'm going to talk about our budget
11 a little bit here as long as I'm up here, because our
12 project is coming up. You know, we receive Impact Aid
13 dollars. All of you guys know that. Okay? A lot of
14 those Impact Aid dollars are earmarked for part of our
15 salaries or a lot of our salaries.

16 Our elementary general fund this year was actually
17 less than it was last year. Okay? Now, in the high
18 school we had an increase in our general fund budget
19 because of an enrollment increase, which we did a budget
20 amendment with the State and we were able to get some
21 dollars to hire another teacher for that.

22 So, really, those general fund dollars are pretty much
23 earmarked, like almost 90 percent of ours are earmarked
24 for salaries and benefits. Okay? And I know, Tim, you
25 understand that part of it. We do have Impact Aid money.

1 we did a feasibility study on our pool also. okay?
2 You guys funded that study, which we appreciate. And we
3 have, like, a plan to go forward with our pool. okay?
4 And with the contribution from our community, you know,
5 we're going to eventually have to go to the voters down
6 the road, but we have to get that roof fixed first.
7 Because it can just about fill up our pool right now with
8 rainwater.

9 So I understand the challenge you guys are having with
10 dollars, and we're thankful for anything you can or can't
11 give us. I mean, we're going to make it work down the
12 road somehow because we have to. okay?

13 So I hope that answers your question. It's not that
14 we don't support the City. we do. we work closely with
15 both the City and the County and especially the Big Horn
16 County Sheriff's Department, and so I think those
17 three entities are, are really strong right now. So I
18 hope that answers your question.

19 CHAIRMAN WILLIAMS: Thank you.

20 Other questions? Comments?

21 Thank you.

22 Next is 845, Rosebud County, the health care center
23 equipment.

24 MS. PICHETTE: Thank you, Mr. Chairman.

25 No. 0845, Rosebud County, health care center equipment

1 updating, \$66,000. The applicant is requesting \$66,000,
2 of a total project cost of \$66,700, in Coal Board funds to
3 complete the purchase of 40 beds and mattresses for the
4 long-term care facility. The request of the Board is
5 99 percent of the project cost.

6 The applicant states the need to upgrade aging
7 equipment with new beds and mattresses as the last new
8 beds were in 1958. The previous beds have been replaced
9 as needed and existing beds are previously used from the
10 hospital or neighboring hospitals and have parts that are
11 no longer available.

12 MR. TOOKE: My name is Ryan Tooke. Mr. Chairman,
13 Members of the Coal Board Grant, again, things haven't
14 changed much since my original request, but I would like
15 to reduce it from 66,000 down to 60,000 because we have
16 had donations and other revenue coming in for that.

17 I always kind of feel a little sheepish when my grant
18 is 99 percent -- or ask is 99 percent, but then I get to
19 thinking, okay, seven years ago or eight years ago almost
20 now, if I had went to the board and said our next
21 eight years we're going to be spending 8.9 million, they'd
22 have laughed. Because I'm conservative, they're
23 conservative, and I didn't think that I could ever get the
24 stars to align just right to where we have been able to
25 currently put in 6.5 million in updates. The future,

1 looking at a remodel in a couple years, that will be
2 2.3 million. So technically, this upgrade is about
3 .6 percent of the whole picture of what we're doing. I
4 just have to take it little bites at a time.

5 Our debt load right now -- at the time of the
6 application was a little bit over 2 million. We paid off
7 \$88,506 since then. However, we had to borrow an
8 additional 175,000 for some new x-ray equipment. We have
9 purchased -- with the \$5,000 that we received in
10 donations, we have purchased 15 new mattresses, and the
11 residents are very appreciative of it. It's not only just
12 an upgrade. It's also a safety and an infection control.
13 A lot of times with old mattresses we have experienced bed
14 ulcers or, old term, bed sores. So the residents who have
15 received new mattresses are greatly appreciative of it.

16 If we do not get the grant, that does not mean this
17 project isn't going to go forward. We're just going to
18 slow it up a little bit, buy a few more -- or a few beds
19 at a time. However, as things look, we might actually
20 have extra cash at the end of this fiscal year, which we
21 have never had. I go to conferences and people are
22 talking about they're getting nervous because they only
23 have 90 days' cash on hand. Some days I have nine days'
24 cash on hand. So we are slowly coming out of the
25 financial crunch. So is it going to make or break us if

1 we don't get it? Absolutely not. We're going to carry on
2 with it. Anything is greatly appreciated.

3 I will take any questions at this time.

4 CHAIRMAN WILLIAMS: Questions?

5 Okay. Appreciate that approach. Because I know that
6 your, your folks voted in a mill increase to tax
7 themselves for part of your operation of your facility,
8 and that speaks highly of the local effort of that
9 community, to tax themselves to receive the service.

10 Thank you.

11 MR. TOOKE: Correct. Thank you.

12 CHAIRMAN WILLIAMS: Next is 846, Hardin Public
13 Schools. This is the activity center pool replacement.

14 MS. PICHETTE: Thank you, Mr. Chairman.

15 No. 0846, Hardin Public Schools, activity center pool roof
16 replacement, \$384,300. The applicant is requesting
17 \$384,300, of a total project cost of \$499,590, in
18 Coal Board funds to complete the replacement of the roof
19 at the community pool. The request to the Board is
20 77 percent of the project cost.

21 The applicant states the existing roof is 33 years old
22 and sections have degraded the underlayment and produced
23 leaks. The applicant states that the roof is at the end
24 of its useful life.

25 MR. GERKE: Mr. Chairman, Members of the Board,

1 Dennis Gerke, superintendent, Hardin schools. I'd address
2 any questions you have.

3 CHAIRMAN WILLIAMS: what happens if you don't
4 receive the money on this, Superintendent? what are you,
5 what are you folks -- what's your plan?

6 MR. GERKE: We'll get more five-gallon buckets to
7 put around the pool. We don't, we don't have a plan. I
8 mean, if you -- we'll have to come up with the money
9 somehow. Maybe it will be end-of-year funds if we've got
10 something left over there. You know, we would have to
11 look at money that we don't have earmarked already.

12 CHAIRMAN WILLIAMS: You've indicated you receive
13 gross proceeds. Do you know what you receive a year?

14 MR. GERKE: I should know that.

15 CHAIRMAN WILLIAMS: I know what has been paid
16 out. Interesting that what has been paid out -- over half
17 a billion dollars has been paid out of gross proceeds tax
18 since it was initiated.

19 MR. GERKE: Uh-huh.

20 CHAIRMAN WILLIAMS: Half a billion to Big Horn
21 County, Rosebud County --

22 MR. GERKE: I'm thinking -- Sorry to interrupt
23 you. I'm thinking that last year, in the vicinity of
24 350,000. That's what I'm thinking.

25 CHAIRMAN WILLIAMS: Okay.

1 MR. GERKE: Because we had to go back and ask
2 because we forgot to do it, so we had to go back through
3 that process and re-request all of that money. And you
4 know, before that, I think that -- before my time, I don't
5 think a lot of that was requested by the school district.
6 I can't say that a hundred percent sure. But I'm thinking
7 the amount is about 350,000 that we receive.

8 CHAIRMAN WILLIAMS: Yeah. I know. It's just,
9 it's frustrating for us as much as it is for you on moneys
10 that we have available on these projects that we just
11 don't have. So...

12 MR. GERKE: And I would just like to say we
13 understand that. We're very grateful to the Board what
14 you've given Hardin Schools in the past. And we're going
15 to live with whatever happens, Chairman.

16 CHAIRMAN WILLIAMS: Appreciate that. Thank you.
17 Okay. Let's -- I'm thinking let's go for, let's go
18 for lunch and we'll come back and we'll go through these.
19 And I'll ask the Board Members to kind of think about, you
20 know, what we could do to stretch the dollars, because we
21 have a ways to go on this, and if we can -- which ones we
22 can touch upon and which ones we cannot. I'm going to
23 adjourn for lunch.

24 Oh. What time is it? Can we get back on at 1:00?
25 Let's do 1:00, shoot for 1:00.

1 (Lunch recess.)

2 CHAIRMAN WILLIAMS: Call the meeting back to
3 order.

4 where we're at, to reiterate, we have \$597,696
5 available appropriation to make awards with. That does
6 not mean that that revenue is available, because it is not
7 available. But we can go ahead and make these awards
8 contingent upon available revenue.

9 As a reminder, the funds, available appropriation, is
10 to last for the remainder of this year. We do have
11 another meeting coming up in June that I'm sure we will
12 have applications for; I would anticipate that to occur.

13 So I will begin the process with the first, 841, and
14 entertain a motion to either fund it wholly, partially, or
15 to not fund. Application 841 for law enforcement
16 vehicles. The amount requested is \$69,646. I will
17 entertain a motion.

18 BOARD MEMBER SCHAFF: Mr. Chairman.

19 CHAIRMAN WILLIAMS: Mr. Schaff.

20 BOARD MEMBER SCHAFF: I would move to fund that
21 at \$40,000.

22 CHAIRMAN WILLIAMS: The motion is to fund it at
23 the \$30,000 level.

24 BOARD MEMBER SCHAFF: 40.

25 BOARD MEMBER FREDRICKSON: I'll second that.

1 CHAIRMAN WILLIAMS: \$40,000 level, and it's been
2 seconded. Discussion?

3 Comments from the public?

4 Vote, please.

5 MS. PICHETTE: Vice-Chair Fitzpatrick.

6 VICE-CHAIR FITZPATRICK: That is in my county,
7 which is Big Horn County, so I recuse my vote.

8 MS. PICHETTE: Shawn Fredrickson.

9 BOARD MEMBER FREDRICKSON: Yes.

10 MS. PICHETTE: Amber Henning.

11 BOARD MEMBER HENNING: Yes.

12 MS. PICHETTE: Marianne Roose.

13 BOARD MEMBER ROOSE: Yes.

14 MS. PICHETTE: Tim Schaff.

15 BOARD MEMBER SCHAFF: Yes.

16 MS. PICHETTE: Veronica Small-Eastman.

17 BOARD MEMBER SMALL-EASTMAN: Yes.

18 MS. PICHETTE: Chairman Williams.

19 CHAIRMAN WILLIAMS: Yes.

20 That is approved to move forward at a \$40,000 level
21 contingent upon available funds.

22 The next request is 842, Big Horn County. This is the
23 capital improvement needs for the library. The amount
24 requested is \$30,433.

25 BOARD MEMBER SMALL-EASTMAN: Mr. Chair, I'd like

1 to make a motion to fund the library capital improvement
2 needs for Big Horn County of \$30,433.

3 CHAIRMAN WILLIAMS: Second?

4 call for a second.

5 Okay. What I'd like to say, since I don't have a
6 second, my suggestion to the Board is that to go ahead and
7 approve -- or go ahead and make the second, and then that
8 allows it to be out and discussed. And if you -- because
9 you second, if you are not supportive of it does not mean
10 that you are required to vote for it. But at least it
11 gets it out on the table. So I would suggest a second to
12 that request.

13 BOARD MEMBER SCHAFF: I'll second the motion.

14 CHAIRMAN WILLIAMS: It's been moved and seconded.
15 Discussion?

16 BOARD MEMBER SMALL-EASTMAN: Mr. Chair.

17 CHAIRMAN WILLIAMS: Yes.

18 BOARD MEMBER SMALL-EASTMAN: I'd like to speak on
19 behalf of the Big Horn County Library. I've been to that
20 library. It's very small. As far as their computer
21 technology, it is in dire need of, of an upgrade. And I
22 look at the WiFi that they finally got into, into the
23 library. They're very prudent about, you know, turning it
24 off at 5 o'clock or, you know, when they leave in the
25 evening.

1 And I just feel that there is such a need due to so
2 many people in Big Horn County who do not have access to
3 computers, and so they are able to go to the library to
4 use the computers and do their job applications, do their
5 job research, and also to do their papers where they're --
6 for college, whether they're online college classes or
7 they're at little Big Horn College. And I just feel that
8 they have a great need for this, for this money.

9 In addition, I, I remember we accepted a letter from
10 Lame Deer, Northern Cheyenne Water Utilities, that
11 withdrew their, their grant saying that they don't want to
12 use that 47,000. So I'm hoping that this money that's for
13 the library would go towards that; that will be additional
14 funds included in that.

15 And I'm just kind of wondering if Jennifer might be
16 able to confirm that, with the withdrawal of the Northern
17 Cheyenne Utilities water application.

18 MS. OLSON: I'm just going to defer that to Anne,
19 because I think she has the letter that --

20 MS. PICHETTE: Are you looking for the exact
21 dollar amount that was in the letter they sent?

22 BOARD MEMBER SMALL-EASTMAN: I believe it was
23 47,000 that they, that they're withdrawing.

24 MS. PICHETTE: Was \$45,710 for their software
25 upgrade, and this is a 2017 project.

1 BOARD MEMBER SMALL-EASTMAN: Okay. Thank you.
2 And so with that being -- so would it be possible to use
3 this money for Big Horn County technology rather than for
4 Northern Cheyenne, if they're withdrawing that
5 application?

6 MS. OLSON: So let me, let me answer it this way:
7 I think that that's really -- So when funds come back in
8 to, to the Board's consideration, so somebody returns
9 those funds, those funds would then go back into the Coal
10 Natural Resource Account. So because it's the prior
11 biennium, that's where this is funded out of, you can't
12 direct them to the current biennium.

13 However, it still just goes back into the Coal Natural
14 Resource Account. So those funds -- I'll go back to the
15 budget spreadsheet that I handed out. Those funds are
16 listed as an obligation as of this moment, right, thinking
17 about it still being obligated under the \$3.4 million
18 obligation. So when that obligation comes out, you'll see
19 that that accrual balance will be modified to show and
20 reflect that those funds are no longer obligated. Then
21 they go back into the cash available account. So it
22 becomes cash that's available.

23 So when we look at appropriation and revenue in this
24 biennium, you cannot exceed the appropriation amount by
25 \$6.8 million. So if appropriation is, if appropriation is

1 lower than revenue, that money sits in the account, so
2 you're not -- A dollar is a dollar is a dollar that it
3 turns into. So the direction of \$45,000 is irrelevant.

4 If revenue is less than appropriation, that \$45,000
5 still is sitting in the account, it's still available for
6 the Board to access, but it's really, again, a dollar is a
7 dollar is a dollar.

8 So you can't -- so hopefully that makes sense. You
9 can't direct these funds from one biennium to another,
10 one; but two, the money still goes back into the Coal
11 Natural Resource Account. And if revenue, again, exceeds
12 appropriation, that money will be there for the next
13 biennium regardless of where it is.

14 So you still are only allowed the \$597,696 as
15 appropriation authority to award. So as you're
16 considering awards, that's what is the maximum amount.
17 Revenue sets the minimum; appropriation sets the maximum.

18 Does that answer your question?

19 BOARD MEMBER SMALL-EASTMAN: Yes. And because of
20 that money going back into the Coal Board revenue account,
21 you know, it will eventually be recorded as an asset. And
22 so basically it is available eventually when you get
23 through with your accrual.

24 MS. OLSON: That's correct, and always is, again,
25 tapped out by the appropriation authority of that maximum

1 amount. And so again, if revenues exceed the
2 appropriation, then that will be really the discretion of
3 the Legislature, if they -- how they give the percentage
4 of 2.9 percent or 5.8 percent to come into the coal
5 Natural Resource Account, or, and if it comes in lower,
6 they don't -- you know, the Legislature could also modify
7 what's in the balance in the account, they could take that
8 money and put it somewhere else. But that's part of that
9 conversation that would happen at the legislative level.

10 CHAIRMAN WILLIAMS: Thank you.

11 Other discussion?

12 I'll make a comment. I think that Big Horn County has
13 committed \$10,000 to this library capital improvement
14 needs, as identified in their application. And I would
15 encourage them to increase that to do those necessary
16 activities associated with the library capital
17 improvements. I don't think it would take a lot for that
18 to occur, and I would encourage that to occur. I think
19 the library is an important project, but I, but I will not
20 support the funding request as, as, as it is.

21 Any other discussion?

22 BOARD MEMBER HENNING: Yes, Mr. Chairman.

23 CHAIRMAN WILLIAMS: Yes.

24 BOARD MEMBER HENNING: I just wanted to state
25 yes, and I agree that this library improvement is a great

1 need. It is important for a community. However, I, I
2 also feel that funding it at the fund requested without
3 having the County look at other funding resources, I feel
4 that there are more sources out there that could fund this
5 project in addition to our funds. I still want to support
6 this, but not at the requested level.

7 CHAIRMAN WILLIAMS: Other questions? Comments?
8 Comments from the public?

9 BOARD MEMBER SMALL-EASTMAN: Mr. Chair.

10 CHAIRMAN WILLIAMS: Yes.

11 BOARD MEMBER SMALL-EASTMAN: You suggested that
12 the County fund the library another 10,000. With that
13 being the case, would you be willing to reduce it by, by
14 10,000 and still award them the 20,000, what they need?
15 20,433.

16 CHAIRMAN WILLIAMS: I -- but what we have right
17 now, Veronica, is a motion to fund it at the \$30,000
18 level. It's been seconded. If there's other action other
19 than that, it would need to occur after, after the vote or
20 some type of other motion.

21 BOARD MEMBER SMALL-EASTMAN: Mr. Chair, I'd like
22 to make an amendment to the motion of --

23 CHAIRMAN WILLIAMS: Okay.

24 BOARD MEMBER SMALL-EASTMAN: -- of reducing the
25 amount from 30,000 to 20,433.

1 CHAIRMAN WILLIAMS: Okay. The motion has been
2 amended to reduce it to 20,433; is that correct?

3 Is there a second on the amendment?

4 BOARD MEMBER HENNING: Second.

5 CHAIRMAN WILLIAMS: The amendment has been
6 seconded. Discussion on that?

7 Okay. Roll call vote, amendment.

8 No, let me just ask (inaudible). Okay. Vote on the
9 amendment.

10 MS. PICHETTE: Vice-Chair Fitzpatrick.

11 VICE-CHAIR FITZPATRICK: Recuse my vote.

12 MS. PICHETTE: Shawn Fredrickson.

13 BOARD MEMBER FREDRICKSON: Yes.

14 MS. PICHETTE: Amber Henning.

15 BOARD MEMBER HENNING: Yes.

16 MS. PICHETTE: Marianne Roose.

17 BOARD MEMBER ROOSE: No.

18 MS. PICHETTE: Tim Schaff.

19 BOARD MEMBER SCHAFF: Yes.

20 MS. PICHETTE: Veronica Small-Eastman.

21 BOARD MEMBER SMALL-EASTMAN: Yes.

22 MS. PICHETTE: Chairman Williams.

23 CHAIRMAN WILLIAMS: No.

24 Okay. On the main motion.

25 MS. PICHETTE: Vice-Chair Fitzpatrick.

1 CHAIRMAN WILLIAMS: Amendment is approved. Now
2 we're going to vote on the main.

3 A STAFF MEMBER: So we have (inaudible) pass,
4 two no, one abstain.

5 BOARD MEMBER ROOSE: You're cutting out. I can't
6 hear you.

7 A STAFF MEMBER: The vote was four, four pass;
8 two no, one (inaudible).

9 BOARD MEMBER SMALL-EASTMAN: So we're moving as
10 amended?

11 CHAIRMAN WILLIAMS: Motion, main motion as
12 amended.

13 MS. PICHETTE: Vice-Chair Fitzpatrick.

14 VICE-CHAIR FITZPATRICK: Recuse my vote.

15 MS. PICHETTE: Shawn Fredrickson.

16 BOARD MEMBER FREDRICKSON: Yes.

17 MS. PICHETTE: Amber Henning.

18 BOARD MEMBER HENNING: Yes.

19 MS. PICHETTE: Marianne Roose.

20 BOARD MEMBER ROOSE: No.

21 MS. PICHETTE: Tim Schaff.

22 BOARD MEMBER SCHAFF: Yes.

23 MS. PICHETTE: Veronica Small-Eastman.

24 BOARD MEMBER SMALL-EASTMAN: Yes.

25 MS. PICHETTE: Chairman Williams.

1 CHAIRMAN WILLIAMS: No.

2 The motion is approved at the 20,433 level.

3 Okay. The next is 843. This is the fairgrounds
4 improvements project. The amount requested there is
5 \$66,785.

6 BOARD MEMBER SMALL-EASTMAN: Mr. Chair, I make a
7 motion to approve Big Horn County application, fairgrounds
8 improvement project, of -- 50,000 I believe is what you
9 asked?

10 Oh, I understand. Thank you. 66,785.

11 CHAIRMAN WILLIAMS: And second?

12 A BOARD MEMBER: Second.

13 CHAIRMAN WILLIAMS: It's been moved and seconded.
14 Discussion?

15 Vote, please.

16 MS. PICHETTE: Vice-Chair Fitzpatrick.

17 VICE-CHAIR FITZPATRICK: Recuse.

18 MS. PICHETTE: Shawn Fredrickson.

19 BOARD MEMBER FREDRICKSON: Yes.

20 MS. PICHETTE: Amber Henning.

21 BOARD MEMBER HENNING: No.

22 MS. PICHETTE: Marianne Roose.

23 BOARD MEMBER ROOSE: No.

24 MS. PICHETTE: Tim Schaff.

25 BOARD MEMBER SCHAFF: No.

1 MS. PICHETTE: Veronica Small-Eastman.

2 BOARD MEMBER SMALL-EASTMAN: Yes.

3 MS. PICHETTE: Chairman Williams.

4 CHAIRMAN WILLIAMS: No.

5 The funding on that is not approved.

6 Next is the City of Hardin. This is the high school,
7 complete pavement restoration project. The amount
8 requested is \$129,296. And I will entertain a motion.

9 BOARD MEMBER SMALL-EASTMAN: Mr. Chair, I make a
10 motion not to approve the pavement restoration, just
11 because I feel that Hardin community -- Hardin School
12 District should at least pay a percentage of the
13 (inaudible). And I think that's (inaudible) the agency
14 (inaudible).

15 CHAIRMAN WILLIAMS: Okay. I've got a motion to
16 not act on the \$129,296 request. And I'll lend to
17 those that -- Typically, a motion is in the positive and
18 then you vote no on it. And you can make a motion if
19 you --

20 BOARD MEMBER SMALL-EASTMAN: Okay.

21 CHAIRMAN WILLIAMS: -- even though you may not
22 want to approve it, and then by not approving it, in the
23 discussion you can make your position known. So I'd like
24 to --

25 BOARD MEMBER SMALL-EASTMAN: I could switch that

1 motion to approve.

2 CHAIRMAN WILLIAMS: Okay. And second?

3 A BOARD MEMBER: Second.

4 CHAIRMAN WILLIAMS: It's been moved and seconded
5 to approve it at the 129,296 level. Now discussion.

6 BOARD MEMBER SMALL-EASTMAN: Mr. Chair.

7 CHAIRMAN WILLIAMS: Yes.

8 BOARD MEMBER SMALL-EASTMAN: We've already
9 approved for them for the (inaudible), and that was to the
10 City, and yet the Hardin Public School didn't donate a
11 dime. So basically I'm going to vote no for this.

12 CHAIRMAN WILLIAMS: Okay. Thank you.

13 Other discussion?

14 Discussion from the public?

15 Vote, please.

16 MS. PICHETTE: Vice-Chair Fitzpatrick.

17 VICE-CHAIR FITZPATRICK: Recuse my vote.

18 MS. PICHETTE: Shawn Fredrickson.

19 BOARD MEMBER FREDRICKSON: No.

20 MS. PICHETTE: Amber Henning.

21 BOARD MEMBER HENNING: No.

22 MS. PICHETTE: Marianne Roose.

23 BOARD MEMBER ROOSE: No.

24 MS. PICHETTE: Tim Schaff.

25 BOARD MEMBER SCHAFF: No.

1 MS. PICHETTE: Veronica Small-Eastman.

2 BOARD MEMBER SMALL-EASTMAN: No.

3 MS. PICHETTE: Chairman Williams.

4 CHAIRMAN WILLIAMS: (Inaudible).

5 That application is, is denied.

6 Next is 845, Rosebud County. This is a request for
7 health care center equipment. The amount requested is
8 \$60,000. I'll entertain a motion.

9 MS. PICHETTE: Mr. Chairman. Mr. Chairman, if I
10 may, this was the other one on your list of environmental
11 that we do not currently have documentation provided --

12 CHAIRMAN WILLIAMS: Okay. 845 is?

13 MS. PICHETTE: Correct.

14 BOARD MEMBER SMALL-EASTMAN: Mr. Chair, I make a
15 motion to approve the Rosebud County Health Care Center's
16 equipment.

17 CHAIRMAN WILLIAMS: At the \$60,000 level?

18 BOARD MEMBER SMALL-EASTMAN: Yes, please.

19 CHAIRMAN WILLIAMS: Okay. This will need the
20 environmental information supplied, depending on where
21 we're going with it.

22 MS. OLSON: Exactly. And it should actually be a
23 motion that (inaudible) environmental should be a
24 determination that the Board makes before a funding
25 determination is made. So we messed up in January, so --

1 CHAIRMAN WILLIAMS: Yeah.

2 MS. OLSON: -- so we fixed that. We can always
3 do that, but...

4 CHAIRMAN WILLIAMS: So we'll do that for the
5 motion -- make that change on the motion.

6 BOARD MEMBER SMALL-EASTMAN: Make the change,
7 please.

8 MS. OLSON: And that change would be to consider
9 it excluded?

10 BOARD MEMBER SCHAFF: I second that.

11 CHAIRMAN WILLIAMS: And that amount was \$60,000.

12 BOARD MEMBER SCHAFF: Mr. Chairman.

13 CHAIRMAN WILLIAMS: Yes.

14 BOARD MEMBER SCHAFF: I think we're voting on the
15 exemption -- or the exclusion first, not the dollar
16 amount.

17 CHAIRMAN WILLIAMS: Oh, we are. Okay. Okay.
18 First thing, okay, motion to exclude, you're right. Okay.
19 And a second on that. Discussion?

20 BOARD MEMBER ROOSE: This is Marianne, and I
21 would be reluctant to fund the full amount when we heard
22 that they're going to be operating in the black and that
23 they are going to complete this, this project one way or
24 another, and so I would be reluctant to fund that amount.

25 CHAIRMAN WILLIAMS: Okay, we're just -- this is

1 just on excluding the environmental.

2 BOARD MEMBER ROOSE: Oh, I'm sorry.

3 CHAIRMAN WILLIAMS: Discussion?

4 Public?

5 Okay. Now we'll vote on that.

6 MS. PICHETTE: Vice-Chair Fitzpatrick.

7 VICE-CHAIR FITZPATRICK: Yes.

8 MS. PICHETTE: Shawn Fredrickson.

9 BOARD MEMBER FREDRICKSON: Yes.

10 MS. PICHETTE: Amber Henning.

11 BOARD MEMBER HENNING: (Inaudible).

12 MS. PICHETTE: Marianne Roose.

13 BOARD MEMBER ROOSE: Yes.

14 MS. PICHETTE: Tim Schaff.

15 BOARD MEMBER SCHAFF: Yes.

16 MS. PICHETTE: Veronica Small-Eastman.

17 BOARD MEMBER SMALL-EASTMAN: Yes.

18 MS. PICHETTE: Chairman Williams.

19 CHAIRMAN WILLIAMS: Yes.

20 Okay. Now we'll have the motion on the requested
21 amount -- Oh, that's passed. Now we'll have the motion on
22 the equipment at the \$60,000 level.

23 BOARD MEMBER SMALL-EASTMAN: So move.

24 CHAIRMAN WILLIAMS: And second?

25 BOARD MEMBER HENNING: Second.

1 CHAIRMAN WILLIAMS: Discussion?

2 BOARD MEMBER SMALL-EASTMAN: Mr. Chair.

3 CHAIRMAN WILLIAMS: Yes.

4 BOARD MEMBER SMALL-EASTMAN: I would like to see
5 Rosebud County receive this here hospital care equipment
6 just because there is so many of my constituents in
7 Rosebud County and Northern Cheyenne Reservation and on
8 the Crow Reservation that do use their services there.
9 They do -- their elderly people are housed there. And I
10 just feel that, you know, we need to help this hospital to
11 get into modern times. And so I feel that, you know, the
12 better care that these constituents of mine have, I think
13 the better off they are, especially with their, their need
14 for comfort.

15 CHAIRMAN WILLIAMS: Other discussion?

16 Comments from the public?

17 BOARD MEMBER HENNING: Mr. Chairman, I do have a
18 comment as to the amount. I am in favor of supporting
19 this cause, but not at the \$60,000 amount. I would
20 consider (inaudible).

21 BOARD MEMBER SMALL-EASTMAN: Mr. Chair
22 (inaudible) that we go with 50,000. I'm making an
23 amendment for 50,000.

24 BOARD MEMBER SCHAFF: A little too high for me.

25 CHAIRMAN WILLIAMS: Amendment to the motion to

1 reduce it to the \$50,000 level. Second?

2 BOARD MEMBER HENNING: I'll second.

3 CHAIRMAN WILLIAMS: It's been moved and seconded
4 for the \$50,000 level. Discussion?

5 BOARD MEMBER HENNING: Again, Mr. Chairman, I am
6 reluctant to fund at the \$50,000 range. I would consider
7 more maybe \$10,000. I know that's quite lower than the
8 ask, what they requested. But given the funds that we
9 have available, I'd rather support this as best we can
10 with (inaudible). So without further discussion, yes,
11 Mr. Chairman, I'll move to amend the, the amount from
12 \$50,000 to \$10,000.

13 BOARD MEMBER ROOSE: This is Marianne. I'll
14 second.

15 CHAIRMAN WILLIAMS: Okay. We've got an
16 amendment -- I don't think we've ever done that before --
17 and we've got a second on that to the \$10,000 level.
18 Discussion on that?

19 BOARD MEMBER SMALL-EASTMAN: (Inaudible).

20 CHAIRMAN WILLIAMS: Pardon me?

21 BOARD MEMBER SMALL-EASTMAN: I'm just looking
22 through your application here. And you've raised your
23 millage rate for Big Horn -- or for Rosebud County, and
24 I'm just checking to see if there was a match. I couldn't
25 find if you had a match or anything.

1 MR. TOOKE: I mean, the match would be whatever
2 is not funded by the grant, so it will just -- it will
3 come out of any expected reserves that we would have had
4 at the end of the year. But the match would be whatever
5 isn't funded over a period of time.

6 BOARD MEMBER SMALL-EASTMAN: Okay. Over a period
7 of time.

8 MR. TOOKE: Correct.

9 BOARD MEMBER SMALL-EASTMAN: But the need is now;
10 correct?

11 MR. TOOKE: Correct.

12 BOARD MEMBER SMALL-EASTMAN: Okay. Thank you.

13 CHAIRMAN WILLIAMS: Other discussion?
14 Comments from the public?

15 we'll vote on the second amendment.

16 BOARD MEMBER ROOSE: And John, would you clarify
17 what that vote is.

18 CHAIRMAN WILLIAMS: The amendment has been
19 amended to reduce it to a \$10,000 reward -- award.

20 BOARD MEMBER ROOSE: Thank you.

21 CHAIRMAN WILLIAMS: Other comment?

22 Okay. We'll go with the second amendment.

23 MS. PICHETTE: Vice-Chair Fitzpatrick.

24 VICE-CHAIR FITZPATRICK: Yes.

25 MS. PICHETTE: Shawn Fredrickson.

1 BOARD MEMBER FREDRICKSON: Yes.

2 MS. PICHETTE: Amber Henning.

3 BOARD MEMBER HENNING: (Inaudible).

4 MS. PICHETTE: Marianne Roose.

5 BOARD MEMBER ROOSE: Yes.

6 MS. PICHETTE: Tim Schaff.

7 BOARD MEMBER SCHAFF: Yes.

8 MS. PICHETTE: Veronica Small-Eastman.

9 BOARD MEMBER SMALL-EASTMAN: No.

10 MS. PICHETTE: Chairman Williams.

11 CHAIRMAN WILLIAMS: Yes.

12 And now vote on the first amendment.

13 MS. PICHETTE: Vice-Chair Fitzpatrick.

14 VICE-CHAIR FITZPATRICK: The first amendment for
15 50,000.

16 CHAIRMAN WILLIAMS: 50,000.

17 MS. OLSON: So the first amendment to the motion.

18 VICE-CHAIR FITZPATRICK: So if we already amended
19 for 10, how --

20 CHAIRMAN WILLIAMS: Okay.

21 VICE-CHAIR FITZPATRICK: That's my question.

22 CHAIRMAN WILLIAMS: What has to occur in order
23 for the award -- we've got a couple attorneys here, so you
24 can -- we go -- Okay. We've approved it on the second
25 amendment for 10,000. So we have to go back to the first

1 amendment, we approve that, and then we go back to the
2 main motion, approve that, and the award is for \$10,000.

3 VICE-CHAIR FITZPATRICK: Yes.

4 MS. PICHETTE: Shawn Fredrickson.

5 BOARD MEMBER FREDRICKSON: Yes.

6 MS. PICHETTE: Amber Henning.

7 BOARD MEMBER HENNING: (Inaudible).

8 MS. PICHETTE: Marianne Roose.

9 BOARD MEMBER ROOSE: I can't hear's Amber's vote.

10 BOARD MEMBER HENNING: Yes.

11 BOARD MEMBER ROOSE: Thank you.

12 Yes.

13 MS. PICHETTE: Marianne, I think I (inaudible)
14 your vote. Will you please state your (inaudible).

15 BOARD MEMBER ROOSE: Yes.

16 MS. PICHETTE: Thank you.

17 Tim Schaff.

18 BOARD MEMBER SCHAFF: Yes.

19 MS. PICHETTE: Veronica Small-Eastman.

20 BOARD MEMBER SMALL-EASTMAN: Yes.

21 MS. PICHETTE: Chairman Williams.

22 CHAIRMAN WILLIAMS: Yes.

23 So the award is, is approved for \$10,000 level. Thank
24 you. And then previous to that excluded the environmental
25 requirement. Okay.

1 The next is 846, Hardin Public School, activity center
2 pool roof replacement, and the amount requested is
3 284,000.

4 MS. BARNES: Mr. Chairman, I'm sorry to
5 interrupt, but I think we still need to actually make a --
6 or take a vote on the main motion that was first made by
7 Veronica.

8 CHAIRMAN WILLIAMS: I'm sorry.

9 MS. BARNES: And her main motion was for \$60,000.

10 CHAIRMAN WILLIAMS: 60,000. Oh, I thought we had
11 covered that. Okay. I'm sorry. Thank you.

12 VICE-CHAIR FITZPATRICK: So when did we vote on
13 the 50? Was that --

14 MS. BARNES: So that was the last one.

15 VICE-CHAIR FITZPATRICK: That was the 50 we
16 voted.

17 MS. BARNES: That was the \$50,000 amendment.

18 VICE-CHAIR FITZPATRICK: So we approved 50?

19 MS. BARNES: You just approved 50.

20 VICE-CHAIR FITZPATRICK: And we approved 10.

21 MS. BARNES: And you approved 10.

22 VICE-CHAIR FITZPATRICK: So that's 60,000.

23 MS. BARNES: So now we're onto the main motion of
24 \$60,000.

25 CHAIRMAN WILLIAMS: Okay. Vote on the main

1 motion.

2 MS. BARNES: So we want to say it's \$60,000 as
3 amended to \$50,000 as amended to \$10,000. So you're still
4 voting right now to amend -- to award the project at
5 \$10,000.

6 CHAIRMAN WILLIAMS: Right. Okay.

7 MS. BARNES: Okay.

8 CHAIRMAN WILLIAMS: Okay, on the main as amended
9 amended.

10 MS. PICHETTE: Vice-Chair Fitzpatrick.

11 VICE-CHAIR FITZPATRICK: Yes.

12 MS. PICHETTE: Shawn Fredrickson.

13 BOARD MEMBER FREDRICKSON: Yes.

14 MS. PICHETTE: (Inaudible).

15 BOARD MEMBER HENNING: Yes.

16 MS. PICHETTE: Marianne Roose.

17 BOARD MEMBER ROOSE: Yes.

18 MS. PICHETTE: Tim Schaff.

19 BOARD MEMBER SCHAFF: Yes.

20 MS. PICHETTE: Veronica Small-Eastman.

21 BOARD MEMBER SMALL-EASTMAN: 60,000. Yeah
22 (inaudible).

23 MS. PICHETTE: Chairman Williams.

24 CHAIRMAN WILLIAMS: Yes.

25 The award is for \$10,000. Thank you.

1 The next is the Hardin Public Schools activity center
2 pool roof. The amount requested is \$284,000. I'll
3 entertain a motion.

4 BOARD MEMBER SCHAFF: So moved.

5 CHAIRMAN WILLIAMS: For the full amount?

6 BOARD MEMBER SCHAFF: Yeah, so we can discuss it.

7 CHAIRMAN WILLIAMS: A second?

8 BOARD MEMBER HENNING: Second.

9 CHAIRMAN WILLIAMS: It's been moved and seconded
10 for discussion at the full amount of \$284,000.
11 Discussion?

12 BOARD MEMBER HENNING: Again, Mr. Chairman, I, I
13 just don't know if we have the funds available at this
14 point in time to fund at the full amount. I'm, I'm
15 willing to look at a, a lower amount. That, I think that
16 is kind of where we have to discuss.

17 CHAIRMAN WILLIAMS: Other discussion?

18 BOARD MEMBER ROOSE: I would be open to
19 considering a lesser amount also, but certainly not the
20 full amount of 284 -- 384,000, or 284 I guess they reduced
21 it to.

22 CHAIRMAN WILLIAMS: Okay. And I agree
23 (inaudible). Let me ask the superintendent.

24 If we made an award on this, let's say in the \$100,000
25 area, could you accomplish the task of that project? What

1 does -- or maybe I could ask you this also, what is the
2 minimum that you could work with, knowing the situation
3 we're in?

4 would this accomplish it?

5 BOARD MEMBER SMALL-EASTMAN: Could I ask how much
6 it would cost just to fix the roof? Because I remember --
7 I recall, when I was going through this grant, that there
8 was other costs that were (inaudible). You know, like the
9 (inaudible) work around the pool and under the pool.

10 MR. GERKE: Yeah. Mr. Chairman,
11 Ms. Small-Eastman. The bid we got was the -- what was the
12 percentage of (inaudible) for? What percentage of that
13 was it?

14 MS. PICHETTE: Push to talk. Sorry. The 384,300
15 that was the original request of the \$499,590 was
16 77 percent.

17 MR. GERKE: Okay. So 500 grand was the estimate
18 that we got to fix that. That roof has been on that
19 building since the building was built. It's 33 years old.
20 So we've got it down to 284. Okay? Now, to answer your
21 question, that's a hard question to answer. Okay? If I'm
22 going to be the superintendent there, John, we're going to
23 commit to get the project done if you would give us
24 \$100,000. But, you know, that's not my choice, that's the
25 board's choice.

1 And so we would have to look at our -- you know, we'd
2 have to look at our funding at the end of the year. We
3 would have to look at our Impact Aid dollars. We would
4 have to look at our general fund. We would have to look
5 at our, our coal proceeds. So that's a really hard
6 question to answer that you ask me.

7 CHAIRMAN WILLIAMS: If you know that we are
8 willing to work with 100,000, (inaudible) you carry that
9 back to the board and give us a yes or no?

10 MR. GERKE: Yes. And I have a board meeting
11 Tuesday night.

12 CHAIRMAN WILLIAMS: Okay. Let me ask you this
13 question. I don't recall the answer to that. When did
14 you have this scheduled to work on it?

15 MR. GERKE: Well, if we, if we got the money,
16 we -- I mean, it's gone this long. Okay? This, this roof
17 just didn't start leaking. All right? We've got by since
18 I've been here, and this is my fourth year. And so it
19 would be something that can wait, but it's -- the
20 problem's not going to go away. The problem's always
21 going to be there.

22 But we also have other challenges, as you know, with
23 our feasibility study with the pool in Hardin. And so
24 part of our long-term plan was to do it in steps, okay,
25 this being the first step. And I think the district is

1 committed to that, depending on district funds we have,
2 the help of the Coal Board.

3 So to answer your question as honestly as I can, I
4 believe that our current board is committed to making the
5 improvements they need to have on that community center.
6 Because it's not just for Hardin. Crow uses it, and
7 Sidney knows that, and a lot of -- we have a lot of people
8 that use that. And our revenues from last year from that,
9 I think I presented those to you, were less than \$100,000
10 that we take in in revenue, and the school district pays
11 out the rest. We pay all the help. We pay all the
12 maintenance. We pay all of those costs, to the tune of
13 almost \$600,000 a year. So we're taking over a
14 half-million-dollar loss on keeping that open.

15 In a nutshell, that's, that's what it is. And those
16 are hard numbers. I think I included that with
17 everything. So...

18 CHAIRMAN WILLIAMS: Okay. Thank you. So we
19 could --

20 BOARD MEMBER SMALL-EASTMAN: Mr. Chair.

21 CHAIRMAN WILLIAMS: Yes.

22 BOARD MEMBER SMALL-EASTMAN: I was just looking
23 at their, page 8-5 of their application where they have
24 412,000 to operate and maintain the swimming pool, and
25 then their annual revenue for the swimming pool is 47,924.

1 So I'll be a proponent for the 100,000.

2 And I would also like to (inaudible) keep that
3 swimming pool open (inaudible) Crow Fair to do maintenance
4 (inaudible) for the school year (inaudible) have it before
5 Crow Fair. During Crow Fair, you have so -- you have at
6 least 10,000 people that come to Crow Fair that need a
7 place to shower, need a place to go swim. And I think
8 that if they kept that swimming pool open during that week
9 and weekend, that that would add a big, huge revenue to
10 the swimming pool. That's my suggestion.

11 CHAIRMAN WILLIAMS: A motion?

12 A STAFF MEMBER: You do have a motion and a
13 second to consider funding.

14 CHAIRMAN WILLIAMS: To consider the funding.

15 A STAFF MEMBER: At 284.

16 CHAIRMAN WILLIAMS: At 284. Let's, let's do
17 this: I'm going to do a substitute motion to (inaudible)
18 at the \$100,000 level.

19 BOARD MEMBER HENNING: I'll second.

20 CHAIRMAN WILLIAMS: It's been moved and seconded
21 for the substitute motion for \$100,000 level. Discussion?

22 Discussion of the public?

23 Vote on the substitute motion.

24 MS. PICHETTE: Vice-Chair Fitzpatrick.

25 VICE-CHAIR FITZPATRICK: Recuse.

1 MS. PICHETTE: Shawn Fredrickson.

2 BOARD MEMBER FREDRICKSON: Yes.

3 MS. PICHETTE: Amber Henning.

4 BOARD MEMBER HENNING: Yes.

5 MS. PICHETTE: Marianne Roose.

6 BOARD MEMBER ROOSE: Yes.

7 MS. PICHETTE: Tim Schaff.

8 BOARD MEMBER SCHAFF: Yes.

9 MS. PICHETTE: Veronica Small-Eastman.

10 BOARD MEMBER SMALL-EASTMAN: (Inaudible).

11 MS. PICHETTE: Chairman Williams.

12 CHAIRMAN WILLIAMS: (Inaudible).

13 Approved to go \$100,000 level on that request.

14 MS. OLSON: So Mr. Chairman, we need to vote on
15 the main motion, then.

16 CHAIRMAN WILLIAMS: On the main -- Not on the
17 main. I did a substitute. I did a main -- or I did a
18 substitute, so that takes the place of the main.

19 MS. OLSON: Got it. Thank you, Mr. Chairman.

20 CHAIRMAN WILLIAMS: Okay. Now we'll go with --

21 MS. OLSON: Mr. Chairman, if I could interject
22 just to give you an update. So that leaves right now,
23 with all of those awards, the remaining appropriation
24 amount at \$427,263.

25 CHAIRMAN WILLIAMS: Thank you.

1 MS. OLSON: And then also, I just wanted to
2 revisit the first motion that you made on grant No. 0841.
3 The motion was made contingent upon available funds. So
4 just to clarify that the rest of the motions are also --

5 CHAIRMAN WILLIAMS: Yes. We need to, yeah, carry
6 that all the way through. Because everything is
7 contingent on -- Are we okay with that, Board?

8 BOARD MEMBER ROOSE: Yes.

9 CHAIRMAN WILLIAMS: (Inaudible) available funds.

10 MS. OLSON: Okay. Great.

11 And then just also wanted to -- especially as you
12 start to look at your new tabled applications. In
13 January, you prioritized the projects in order of your
14 priority decision. And just as a reminder, you already
15 voted on the MSU -- excuse me, the BSEDA application,
16 rescinding the MSUB application. The MSU Billings
17 application that was rescinded was the first on the list
18 in January. So that moves that down to the collective.

19 So what we have been doing as staff is looking at the
20 Board's decision if they're not prioritized on a group
21 basis based on the meeting date. So what that means is
22 that (inaudible), as an example when the \$1.5 million was
23 awarded in June without prioritization, we waited until
24 available revenue of 1.5 million was available in the
25 account before we moved forward with any of those

1 contracts, because we didn't want to prioritize which
2 order you thought -- you wanted to fund those projects in.

3 So just also to reiterate, this meeting, without that
4 prioritization, we'll be looking at these as a lump group
5 sum, including the BSEDA application, unless you otherwise
6 dictate. And of course, we would recommend that you
7 prioritize in a way that you, you so choose.

8 CHAIRMAN WILLIAMS: Okay. So what you said is
9 that we're going to go through as, as the numbers are --
10 as the numbers come up unless there's any other type of
11 prioritization from the Board.

12 MS. OLSON: Actually, right now that is what we,
13 what you decided in January. At this point, you haven't
14 made a decision to prioritize any of them. So just as a
15 reminder, we prioritized January so we can just walk
16 through -- as funding is available, through each project.
17 You haven't decided prioritization for this meeting. You
18 can choose to do that however you want to. That could be
19 numbers, that could be order of preference and priority,
20 readiness to proceed, any number of things.

21 CHAIRMAN WILLIAMS: You know, my suggestion to
22 the Board is we just allow that to continue on as the
23 numbers should occur, unless there -- (inaudible) have not
24 heard of any other situation that would, unless board
25 members have any other situation, that would make one a

1 higher priority than any of the others as we've identified
2 them.

3 BOARD MEMBER ROOSE: Mr. Chairman. This is
4 Marianne. I do have a question. So are you saying, then,
5 that Big Sky Economic Development would be the last
6 numbered request to be funded?

7 MS. OLSON: If we go with the grant number,
8 BSEDA's application number is 0848, and, as an example,
9 Big Horn County law enforcement upgrade that was just
10 awarded, \$40,000 contingent upon available funding, is
11 0841. So the tabled projects that were originally -- that
12 you just went through would actually get the funding
13 before BSEDA would.

14 BOARD MEMBER ROOSE: I guess I have a problem
15 with that. We've already hashed this out over
16 three meetings, and then -- so now we've put them back to
17 the bottom of the list. And I, I disagree with that.

18 CHAIRMAN WILLIAMS: Okay. What I'll do is I'll
19 ask the Board which direction they would like to head on
20 this.

21 BOARD MEMBER SCHAFF: Mr. Chairman.

22 CHAIRMAN WILLIAMS: Yes.

23 BOARD MEMBER SCHAFF: When Mr. Kennedy made his
24 timeline, can -- have you guys got notes on what he said
25 his timeline was?

1 CHAIRMAN WILLIAMS: 2019.

2 MS. OLSON: What I had was that he's going to go
3 to bid in December of 2018 with construction beginning in
4 spring of 2019.

5 BOARD MEMBER SCHAFF: So they wouldn't need
6 access to those funds until 2019.

7 MS. OLSON: As I recall, Mr. Kennedy's comments
8 were to that effect. Yes.

9 BOARD MEMBER ROOSE: So this is Marianne. I have
10 a question again. So if we put it at the bottom of the
11 list, and then the next time around it still could be
12 moved to the bottom of the list, and so when do we step up
13 to the plate and actually fund them?

14 MS. OLSON: This, this is just an award. And I
15 just will add this for context (inaudible). In some of
16 our other programs at Commerce, we establish startup
17 conditions. They're pretty easy. (Inaudible) designation
18 of the depository form, signatory form, updated
19 implementation schedule, and budget. But one other thing
20 that we ask for is the firm commitment of other leveraged
21 funds before they get to proceed forward.

22 So again, the Board can decide if you want to go
23 through that by grant number, alpha numeric, any number of
24 things. But that could be also something where it's
25 contingent upon available other -- firm commitment of

1 other available non-Coal Board funds. So you have --
2 Hopefully I'm not confusing. You have Coal Board revenue
3 that's coming in that we're waiting upon, but then as the
4 other non-Coal Board funds come available, if there's some
5 sort of pending, you could actually say, you know, first
6 come, first serve in regards to available funds and then
7 next startup conditions, basically non-Coal Board funds.
8 And then if they are tied, that could be, then, the order
9 of number. I don't want to make it complex, but just as a
10 thought.

11 BOARD MEMBER HENNING: And Mr. Chairman, I just
12 wanted -- again, Mr. Kennedy (inaudible) have (inaudible)
13 million already raised. They still have to reach the
14 5 million. Again, he hopes to do that by, by December of
15 this year. So again, when we're talking about
16 prioritization, I, I understand the, the history of this
17 specific grant application, but I don't think that it's
18 imperative that it be moved up to the very top or make
19 that prioritization different based on their specific
20 timeline. Again, we can talk about that if there's a
21 specific motion, but that's just based on what Mr. Kennedy
22 said earlier.

23 So I guess, Mr. Chairman, I would make a motion to
24 (inaudible) these grants that (inaudible) number.

25 CHAIRMAN WILLIAMS: Okay. It's been moved to

1 award (inaudible) by grant, (inaudible) grant number.

2 Second?

3 A BOARD MEMBER: Second.

4 CHAIRMAN WILLIAMS: It's been moved and seconded.
5 Discussion?

6 BOARD MEMBER SMALL-EASTMAN: Mr. Chair, since
7 we've discussed MSUB, you know, at the last --

8 BOARD MEMBER ROOSE: (Inaudible).

9 BOARD MEMBER SMALL-EASTMAN: (Inaudible) you all
10 intents what was going on and, you know, with the, how do
11 you say, the oversight of the agency to agency. I would
12 prefer just to leave (inaudible) at 833 and even though
13 they take another (inaudible) like to see (inaudible).

14 CHAIRMAN WILLIAMS: Okay. Other discussion?

15 BOARD MEMBER ROOSE: I couldn't hear -- I
16 couldn't hear Veronica's comment. She was cutting in and
17 out.

18 CHAIRMAN WILLIAMS: Her, her wish is that the
19 MSUB, or the Big Sky Economic Development, actually, that
20 project be moved at the top and set that out --

21 BOARD MEMBER ROOSE: I agree.

22 CHAIRMAN WILLIAMS: -- as a priority.
23 Discussion?

24 Okay. We'll need a motion. We have a motion to move
25 it as the grant numbers are allocated and listed. If

1 there are any other motions.

2 BOARD MEMBER ROOSE: I would like to see the
3 Big Sky Economic Development be at the top of the list.

4 BOARD MEMBER SMALL-EASTMAN: So moved.

5 CHAIRMAN WILLIAMS: Are you making that motion,
6 Marianne?

7 BOARD MEMBER ROOSE: Yes, I will.

8 BOARD MEMBER SMALL-EASTMAN: I second that.

9 CHAIRMAN WILLIAMS: Okay. So you're amending the
10 motion that is before us on going with the number and
11 you're amending it to move the Big Sky Economic
12 Development up in front of all those others.

13 BOARD MEMBER ROOSE: Yes, I am.

14 CHAIRMAN WILLIAMS: And I've got a second on
15 that. Discussion?

16 BOARD MEMBER HENNING: Mr. Chairman, I guess I
17 would like a clarification on the motion, whether it's
18 moving up to the very top of what has been allocated thus
19 far or back to the original MSUB grant number.

20 CHAIRMAN WILLIAMS: Marianne, what's your --

21 BOARD MEMBER ROOSE: I don't know. I guess I'm
22 not sure what that number was and what she's saying.
23 Because if it's a lesser number, it would automatically go
24 to the top if you're going by the MSUB. However, we
25 rescinded that and we voted on the Big Sky Economic

1 Development, and if I understand this correctly, that
2 number is a 848, which would put it at the bottom of the
3 list unless we vote to move it to the top. Is that
4 correct? The, the original number for MSUB is null and
5 void is it not?

6 CHAIRMAN WILLIAMS: That's correct. So what --
7 are you suggesting, then, that we would move it up in
8 front of 841, which is the Big Horn County law enforcement
9 vehicle? Is that --

10 BOARD MEMBER ROOSE: Yes, I would.

11 CHAIRMAN WILLIAMS: Is that what you're --
12 motion?

13 BOARD MEMBER ROOSE: Yes.

14 CHAIRMAN WILLIAMS: Okay. And that's amended to
15 the motion to use the numerical. Okay.

16 MS. PICHETTE: Mr. Chairman.

17 CHAIRMAN WILLIAMS: Yes.

18 MS. PICHETTE: Just for the record, could we get
19 a clarification. Is it being moved back to -- we heard
20 top of list and before 0841. Is it before 0841 or back
21 with the other awarded above 0833?

22 CHAIRMAN WILLIAMS: Before 841. Before 841, the
23 Big Horn County law enforcement vehicle.

24 BOARD MEMBER ROOSE: And is that not because the
25 other number would no longer apply? would it?

1 MS. OLSON: The way --

2 CHAIRMAN WILLIAMS: The new number is 848,
3 Big Sky Economic Development, so you would be moving
4 848 up in front of 841; correct?

5 MS. OLSON: Yes, just so you know our process, so
6 when BSEDA submitted that application, we assigned it the
7 next number in line, so that's how it got 0848. We did
8 not preserve the 0832 number from MSU Billings because
9 that was a different application, is how we viewed it.

10 CHAIRMAN WILLIAMS: Okay. Everybody got it?
11 Okay.

12 BOARD MEMBER ROOSE: I guess I just have one
13 question. It was a different application, but in reality
14 it really was the same application, just the change in
15 name; right?

16 CHAIRMAN WILLIAMS: Yes. It's a change -- 84 --
17 the new number is 848. Big Sky Economic Development is
18 the grantee.

19 BOARD MEMBER ROOSE: I understand that. I was
20 just -- I just find it strange that it didn't have the
21 same number it had before, when actually it's the same
22 request; the name has just been changed. So that's my
23 comment.

24 CHAIRMAN WILLIAMS: Okay. So we've done the
25 discussion. We'll go with the amendment. Vote.

1 VICE-CHAIR FITZPATRICK: which amendment are we
2 going with?

3 CHAIRMAN WILLIAMS: We would move -- the
4 amendment is to move 848 in front of 841, which is the
5 Big Horn County law enforcement vehicle. So we would move
6 it in front of all of the actions that we have just
7 completed and go down the list. So that's the amendment.
8 Anne, the vote.

9 MS. PICHETTE: Vice-Chair Fitzpatrick.

10 VICE-CHAIR FITZPATRICK: Yes.

11 MS. PICHETTE: Shawn Fredrickson.

12 BOARD MEMBER FREDRICKSON: Yes.

13 MS. PICHETTE: Amber Henning.

14 BOARD MEMBER HENNING: Yes.

15 MS. PICHETTE: Marianne Roose.

16 BOARD MEMBER ROOSE: Yes.

17 MS. PICHETTE: Tim Schaff.

18 BOARD MEMBER SCHAFF: Yes.

19 MS. PICHETTE: Veronica Small-Eastman.

20 BOARD MEMBER SMALL-EASTMAN: Yes.

21 MS. PICHETTE: Chairman Williams.

22 CHAIRMAN WILLIAMS: Yes.

23 Now we'll go with the main vote.

24 MS. PICHETTE: Vice-Chair Fitzpatrick.

25 VICE-CHAIR FITZPATRICK: What's the main vote?

1 MS. PICHETTE: The motion is that all (inaudible)
2 order.

3 VICE-CHAIR FITZPATRICK: Yes.

4 MS. PICHETTE: Shawn Fredrickson.

5 BOARD MEMBER FREDRICKSON: Yes.

6 MS. PICHETTE: Amber Henning.

7 BOARD MEMBER HENNING: Yes.

8 MS. PICHETTE: Marianne Roose.

9 BOARD MEMBER ROOSE: Yes.

10 MS. PICHETTE: Tim Schaff.

11 BOARD MEMBER SCHAFF: Yes.

12 MS. PICHETTE: Veronica Small-Eastman.

13 BOARD MEMBER SMALL-EASTMAN: (Inaudible).

14 MS. PICHETTE: Chairman Williams.

15 CHAIRMAN WILLIAMS: Yes.

16 Okay. (Inaudible) with the new business, and that is
17 grant request 847. This is the City of Lodge Grass.

18 BOARD MEMBER ROOSE: So could you clarify that
19 last vote, Mr. Chairman.

20 CHAIRMAN WILLIAMS: Okay. What has occurred is
21 that 848, Big Sky Economic Development, MSU Billings
22 science project, has been moved in front of all of those
23 tabled applications. So it's been moved in front of
24 841 and 842 and so on.

25 BOARD MEMBER ROOSE: Thank you for the

1 clarification.

2 CHAIRMAN WILLIAMS: You bet.

3 Okay. For Big Sky Economic Development -- or 847,
4 City of Lodge Grass, community revitalization project.
5 The requested amount is \$324,600.

6 MS. PICHETTE: Mr. Chairman, 0847, City of
7 Lodge Grass, community revitalization project, \$324,600.
8 The applicant is requesting \$324,600, of a total project
9 cost of \$517,195, in Coal Board funds to complete a
10 Lodge Grass city renewal project. The request to the
11 Board is 63 percent of the project (inaudible).

12 (Inaudible) to purchase (inaudible) machinery to
13 maintain safety and aesthetics, which currently the City
14 has insufficient machinery to do so. The applicant states
15 the project would increase safety by allowing for tree
16 removal, broad scale cleanup, solid waste cleanup,
17 addressing other public dangers, and subsequent
18 maintenance. The applicant has plans to build a small
19 business center.

20 MAYOR DABNEY: Hello, Chairman and Board. I've
21 been waiting to say good morning to you guys all day. Is
22 it okay if I approach?

23 CHAIRMAN WILLIAMS: Sure.

24 MS. PICHETTE: Shawn and Marianne, currently the
25 mayor is providing a handout to the Board. We will get

1 you copies.

2 BOARD MEMBER ROOSE: Thank you.

3 MAYOR DABNEY: My name is James Quincy Dabney. I
4 am the mayor of Lodge Grass. First -- so obviously, that
5 is a big number for everything that's going on today. I'd
6 also like to say I was a, from 2007 to 2017, heavy
7 equipment operator at the coal mine at (inaudible) just
8 about a half hour east of Hardin. And I guess I'll do a,
9 more of a story line to kind of fill you in.

10 I'm not sure all of you know Lodge Grass's history.
11 In the past year we've had quite a lot of stuff going on.
12 We had a triple murder over there, and that's kind of what
13 prompted me to even think about running for mayor.
14 Because I've been in the construction world my whole life.
15 And so actually, we've already done quite a bit of change
16 going on.

17 So with the equipment that we are looking at, if I
18 were to just put it in order, if you go to the second
19 page. So yes, the main (inaudible) need. We do have a
20 street sweeper. It's quite old, and I don't think the
21 repairs are -- would be able to happen on this. So to
22 probably cut the street sweeper out. But the skid steer
23 at \$39,000, it has a street sweeper attachment, which we
24 could do the, the sidewalks and then move everything out
25 of the way there and then be able to pick it up further

1 with that.

2 And the trees are reaching (inaudible). We have
3 2550 (inaudible) all over the houses, and in December we
4 had five drop. One dropped right, right behind the city
5 hall and two were right in the street. So yeah, that was
6 kind of one of the main focuses, was (inaudible). That
7 would just -- that would be moving forward with the tree
8 cleanup, which we would do in small, small (inaudible).

9 But moving forward (inaudible), if you switch to the,
10 sorry, the third page was the equipment. The second page
11 is something that sparked the community to (inaudible).
12 So if you guys know Lodge Grass, (inaudible) has
13 (inaudible) downhill dramatically. But there is a vision
14 and there are people in the community that are ready for
15 change. And as where the vision has moved forward in this
16 picture, on top is a family that their house was basically
17 condemned, so they asked the community if they would like
18 the windows, the doors, anything that they would need
19 inside the house. They stripped it, then they demolished
20 it.

21 And Raising Places -- you can see the picture better
22 on the bottom. Together We Are Raising Lodge Grass. And
23 in Crow, it is the Valley of the Chiefs. And so we got
24 together with this nonprofit, Raising Places, and we got a
25 Bobcat from Sheridan and we got a scissors lift -- scissor

1 lift, which isn't exactly what you would need to trim the
2 trees properly, but that branch was ready to go. And the
3 new trailer that they got on the bottom picture, that
4 branch that we cut off was directly above that. And so we
5 made the steps to remove that.

6 The City was involved. I asked my maintenance man to
7 bring in the backhoe, and he removed all the stuff that
8 was inside; furnace, hot water heater, all that big stuff.
9 And we filled it, and there you go. They're -- there's a
10 family that is (inaudible).

11 So the community, we brought them together. No one
12 asked for any money. Everybody's hearts are gold for
13 helping move Lodge Grass forward. And we had the entire
14 community show up, so we got some food together and we fed
15 them.

16 And that was just a little bit of insight, but I'll go
17 ahead for questions because I don't want to go too much
18 further.

19 CHAIRMAN WILLIAMS: Okay. Thanks, Mayor. I'm
20 sure you've had an opportunity to go through the, the
21 staff report.

22 MAYOR DABNEY: Yeah.

23 CHAIRMAN WILLIAMS: And there's a lot of things
24 within the staff report that need to be fixed --

25 MAYOR DABNEY: Yeah.

1 CHAIRMAN WILLIAMS: -- with your application.
2 And my suggestion, and I know you've got a tough job in
3 front of you, a new mayor and everything, would be to come
4 back and visit with us and break out those items that have
5 priority with you being able to accomplish the tasks of
6 operating the city. Also with the understanding of what
7 we have as available funds.

8 MAYOR DABNEY: Yes, sir.

9 CHAIRMAN WILLIAMS: So that's my suggestion.
10 This is your first shot at something like this. Break it
11 down piecemeal, prioritize it on what your plans are to
12 perform those functions necessary for your city's
13 operation.

14 MAYOR DABNEY: Yes.

15 CHAIRMAN WILLIAMS: That's, that's my suggestion
16 to you. And that's just, just me. But I'll, I'll open to
17 questions from the Board.

18 MAYOR DABNEY: Okay. Yes. I agree. That was
19 one of the main -- the prioritizing, the equipment. So I
20 know that's a large number. But one thing I did like --
21 So the teens -- So it wasn't a campaign effort, but I walk
22 the streets normally, and I was walking the streets and
23 just interacting with everyone. I went door-to-door just
24 seeing where the community was. I'm just going to --
25 Another little story line.

1 Part of the prioritizing was the small city business
2 center. So with the lack of jobs and the lack of money
3 that was there, it's a 420-square-foot house,
4 three-bedroom style. Take out the three bedrooms, leave
5 the bathroom, and bring in computers. And we talked to
6 Little Big Horn College, and they are ready and willing to
7 conduct their GED program there.

8 And so with walking the streets, there is probably
9 about 15 children from 12 to 16, unfortunately,
10 that are -- dropped out. So we would be able to bring
11 them in, do some activities, and encourage them for
12 furthering their education. And that would be one of
13 them.

14 So yes, for prioritizing, that would probably be...

15 CHAIRMAN WILLIAMS: Thank you.

16 Other comments from the Board?

17 Other comments from the public?

18 MS. BARNES: Mr. Chairman, if I may, I would just
19 point out your ARM that you have regarding submittal
20 deadlines.

21 So during the February meeting when you waived the
22 45-day requirement and the 10-day requirement, that's
23 something that you would also have to waive in this case,
24 the 10-day requirement, which says: Other matters shall
25 be submitted to the administrative officer 10 days prior

1 to board consideration. And then there is the exception,
2 that the Board has the discretion to make an exception to
3 that rule.

4 So in this case, there was some more documentation
5 that was just provided, and so if you would like to
6 consider that, I think you should actually make the
7 exception -- or make an exception to that middle deadline
8 of 10 days.

9 CHAIRMAN WILLIAMS: What I was, what I was
10 thinking about (inaudible) bring this up and deny this
11 application and vote it down, and then allow them to
12 resubmit -- and encourage them to resubmit a new
13 application at the next meeting, but do it in a, kind of a
14 reasonable approach on items that you feel are
15 (inaudible). That's, that's my thought.

16 BOARD MEMBER SMALL-EASTMAN: Mr. Chair.

17 CHAIRMAN WILLIAMS: Yes.

18 BOARD MEMBER SMALL-EASTMAN: What about tabling
19 it, so then that way they can still keep their place on
20 priority, you know (inaudible).

21 CHAIRMAN WILLIAMS: Well, I think with the way
22 that it's been put together, I think that would -- my
23 thought is it would make it cumbersome to go through,
24 because then we would be dealing with the same
25 application. I would rather see them submit a new

1 application based on the critical comments that were made
2 here in the report and then list out items that have
3 priority for you. That's -- I think that would be the
4 simplest way to do it. Okay?

5 other questions? Other comments?

6 MS. DOYLE: Can I give public comment now?

7 CHAIRMAN WILLIAMS: Sure.

8 MS. DOYLE: Okay. So my name is Megkian Doyle.
9 I'm the director for Raising Places, which is the
10 grassroots group that works in Lodge Grass with the
11 community improvement program. And our fiscal sponsor is
12 Big Horn valley Health Clinic in Big Horn Valley -- or in
13 Big Horn County rather.

14 So the cleanup and -- we have -- The cleanup itself is
15 a majority of the prioritized list that we have as a
16 result of an eight-month planning grant that we received
17 from the Robert Wood Johnson Foundation, which is a
18 \$60,000 grant that we used to coordinate and do research
19 in the community. We spoke to almost everyone in the
20 community, even the people that are not normally getting
21 spoken to, about where they want to see the community
22 grow.

23 And the result of that was that there are nine
24 projects which you have in your handout here that the
25 community has begun developing, and there are teams

1 developing each of these projects. So the small business
2 incubator is one of those. The Lodge Grass Renewal
3 Initiative is one of those, which also, the cleanup is
4 only half of that. The other portion of that is helping
5 individual homeowners with home repairs and getting
6 72 percent substandard housing back into the standard
7 area.

8 The third one is a functional community center. There
9 is a Family Healing Center, which is the combination of a
10 retrieving home and treatment center that keeps families
11 together so children are not going to foster care in the
12 state of Montana. There's a Local Arts and Experiences
13 Cooperative which is tied to the business program. There
14 is a Preschool Guardian Program, a Crow Leadership
15 Program, a Life Emerging and Learning Systems Program,
16 which is an indigenous learning system, a community
17 gathering space, and a positive message campaign.

18 So these are all different programs that are going on
19 or going forward as teams are seeking grant funding. So
20 there's a lot of -- we are doing a lot of applying to
21 different grants and connecting with different agencies.
22 But all of these things -- to do any of these things, we
23 really need a clean space on which to build.

24 Right now we have little kids playing in the open
25 foundations of demolished buildings, and we have to fix

1 that, just as a matter of caring for the community and as
2 a matter of caring for the kids. It would be silly to do
3 these projects and say, hey, we care a ton about you even
4 though we're leaving the place that you live in in
5 disrepair.

6 And we have our team, which most of our hours are
7 volunteer hours, and some of it is funded by that planning
8 grant, a very small amount of it. So most of the
9 community work that we've been doing is with hand tools,
10 shovels and things like that. And we have no large
11 equipment except for the -- with the exception of the
12 backhoe to be able to do any of this with. And so that's
13 why the cleanup itself is a priority.

14 And we handed in a new prioritized list as far as like
15 the equipment itself being prioritized. If we could just
16 have a Bobcat that has those front things, we can at least
17 do something, which is really important to us to be able
18 to do soon. Because we have the opportunity through
19 Robert Wood Johnson to be connecting with more funders and
20 can move these other programs forward, but we need a clean
21 space to build on.

22 CHAIRMAN WILLIAMS: Okay. Thank you.

23 Okay. I'll entertain a motion.

24 BOARD MEMBER SMALL-EASTMAN: I guess I'd like to
25 see them at least have some equipment to do the cleanup

1 and get started and then (inaudible). And we could, you
2 know, award, you know, some funds (inaudible). That's
3 what I would like to see.

4 CHAIRMAN WILLIAMS: well, if we move on this
5 award, we won't have any funds until -- we're not going to
6 have any funds available for anything like this until
7 probably next year.

8 I mean, we're moving on all the available funds that
9 we have. we just don't have any money, cash money. I
10 mean, if we were even to award this, it would be a year
11 before you're going to get any money. And my suggestion,
12 and we've got a couple of county commissioners in here
13 that's had a lot of big equipment (inaudible). That's the
14 situation we are. we don't have any -- we don't have any
15 money to give you. Okay?

16 Am I right? I mean, when are we going to be
17 issuing -- with what we acted on today, with what we acted
18 on today, we're not going to issue any contracts until
19 2019 --

20 MS. OLSON: It really depends upon the estimated
21 revenue.

22 CHAIRMAN WILLIAMS: -- latter part of 2018, you
23 know.

24 MS. OLSON: Depends on the revenue. I would say
25 that because we're at this part of the fiscal year, right,

1 July 1 will inevitably come and start the new fiscal year
2 for 2019, and then we'll know what our, what our -- we
3 will know exactly what 2018 looked like from a fiscal year
4 standpoint, and then we'll, we'll have those funds
5 available, but as they come in on a month-by-month basis.

6 CHAIRMAN WILLIAMS: I mean, we've got to think
7 about that, available funds. You know, we issued the
8 \$500,000 to MSUB. That, that -- we're out until 2019.
9 Yeah, 2019.

10 So I'll entertain a motion on 847.

11 BOARD MEMBER HENNING: Mr. Chairman, I will move
12 to vote, vote on the grant application as it stands.

13 CHAIRMAN WILLIAMS: Okay. Second?

14 A BOARD MEMBER: Second.

15 CHAIRMAN WILLIAMS: It's been moved and seconded
16 to move 847 forward to a vote. Discussion?

17 Discussion of the public?

18 Vote, please.

19 MS. PICHETTE: Vice-Chair Fitzpatrick.

20 VICE-CHAIR FITZPATRICK: I work with the mayor in
21 our county office (inaudible), and so I recuse myself.

22 MS. PICHETTE: Shawn Fredrickson.

23 BOARD MEMBER FREDRICKSON: No.

24 MS. PICHETTE: Amber Henning.

25 BOARD MEMBER HENNING: No.

1 MS. PICHETTE: Marianne Roose.

2 BOARD MEMBER ROOSE: No.

3 MS. PICHETTE: Tim Schaff.

4 BOARD MEMBER SCHAFF: No.

5 MS. PICHETTE: Veronica Small-Eastman.

6 BOARD MEMBER SMALL-EASTMAN: Yes.

7 MS. PICHETTE: Chair Williams.

8 CHAIRMAN WILLIAMS: No.

9 The request is denied. But I encourage you to think
10 about what I said and prioritize it. But when you do
11 that, when you prepare that application, based on -- work
12 with our staff and they'll walk you through the process.
13 Work very closely with them. But understand we're a year
14 off from funding these. So if you have a project that's
15 important to you as far as moving debris and those types
16 of things, I would suggest you take a look and see what
17 options are out there available to you. So thank you.

18 BOARD MEMBER HENNING: I would also encourage you
19 to resubmit. I think this is a great thing that you're
20 doing in your community, and just get us a prioritized
21 list. But keep going. This is a good project.

22 MAYOR DABNEY: Thank you.

23 CHAIRMAN WILLIAMS: Thank you.

24 Okay, folks, what we have before us -- Are there any
25 other public comments that anybody would like to make

1 before we move to the next process?

2 Commissioner.

3 MR. REAL BIRD: Chairman Williams, Members of the
4 Coal Board, Big Horn County. George Real Bird here again.
5 Where are we at with some our contracts? We have some
6 previous contracts where we have them near closed out or
7 we need to get contracts for, or is it the same thing,
8 we're still waiting on availability of funds?

9 MS. PICHETTE: Mr. Chairman, if I may, the
10 projects that were awarded at the June meeting for this
11 fiscal year's funding, which started after July 1st, we
12 have now received enough revenue to contract those. So we
13 can check to see where they are, but they are in the
14 electronic process. So you should be receiving an email
15 (inaudible) those contracts. But it would only be for the
16 June ones as we had to wait until we had revenue to be
17 able to fund all of them at once as they were not
18 prioritized of order we could contract.

19 So maybe give me a call next week (inaudible) come
20 through the system and we'll make sure where it is.

21 MR. REAL BIRD: All right. Thank you. You bet.
22 I know we're probably still (inaudible) September ones.
23 But our June ones, we wanted to know where they are and
24 they didn't get lost in the mail. Thank you.

25 CHAIRMAN WILLIAMS: Okay. Thank you.

1 Other comments?

2 Okay. What we have is confirmation of the next
3 meeting date and the city. Currently, we had it set up,
4 this was some time ago, June 21st. I do have a conflict
5 with that. Could we set it up at a different time in
6 June?

7 BOARD MEMBER ROOSE: John, now this is Marianne.
8 I also have a conflict. I would like us to move it into
9 the next week, if that would be possible, on the 28th.

10 BOARD MEMBER SMALL-EASTMAN: I also have a
11 conflict. I'd like to move it back (inaudible).

12 MS. OLSON: Can I just say something?

13 CHAIRMAN WILLIAMS: Sure.

14 MS. OLSON: I want to make sure that you
15 understand. As we look at the end of each fiscal year,
16 it's important to remember that when you all award funds
17 that potentially are from one fiscal year to another, that
18 that would give staff one day to execute a contract. That
19 means not only write it, get it to the local government,
20 and then also give it to the Board Chair to execute. I've
21 never seen that happen within 24 hours. That would be
22 pretty -- a pretty insurmountable task.

23 What that does without executing the contract, it does
24 not obligate the funds. And so if you're considering
25 moving the date, if I might, staff would request that you

1 move the date up rather than further into the calendar.

2 BOARD MEMBER ROOSE: This is Marianne. If you're
3 going to do that, then I'd like to look at the first week
4 in June or the, like the 25th, the Monday of that week, if
5 you won't consider the 28th.

6 MS. OLSON: Marianne, just to clarify, you said
7 the 13th of June?

8 BOARD MEMBER ROOSE: No. I am going to be in
9 Indianapolis that week. So, you know, I don't know what
10 works for everybody else, but I'm gone the whole week of
11 the 11th through the 15th.

12 So John, what works for you? You mentioned that third
13 week or that 21st and 22nd didn't work for you.

14 CHAIRMAN WILLIAMS: Unless we moved it up -- what
15 about if we moved it a little earlier, the 20th of June,
16 something?

17 BOARD MEMBER ROOSE: If we did it on the 20th, I
18 could probably do that. I couldn't do the 21st, but I
19 could do Wednesday the 20th.

20 CHAIRMAN WILLIAMS: Tell me what fits. The 20th,
21 everybody?

22 BOARD MEMBER ROOSE: Wednesday the 20th would
23 work good for me. What about everyone else?

24 BOARD MEMBER SMALL-EASTMAN: What's the chances
25 of having it in Bozeman on the 20th?

1 BOARD MEMBER ROOSE: (Inaudible) to meet.

2 MS. OLSON: (Inaudible) can decide the location.

3 BOARD MEMBER SMALL-EASTMAN: I'm good for the
4 20th.

5 BOARD MEMBER ROOSE: I would support the 20th in
6 Bozeman. That's great.

7 CHAIRMAN WILLIAMS: Any time we move further
8 (inaudible) we're moving it further from those folks that
9 are going to be bringing in the applications
10 geographically. That's the problem we get into if we move
11 it further -- if we move it further west. It makes them
12 travel further, our applicants. So we've tried to --

13 BOARD MEMBER FREDRICKSON: Chairman Williams.
14 Chairman Williams, this is Shawn. I would be opposed to
15 moving it to Bozeman. I'd rather it be in coal country
16 or, or Billings.

17 CHAIRMAN WILLIAMS: The 20th for right now, if we
18 did the 20th at Colstrip?

19 BOARD MEMBER SMALL-EASTMAN: I, I oppose going to
20 Colstrip just because I'll be in Bozeman that week.
21 (Inaudible) Billings again.

22 BOARD MEMBER HENNING: How much further do I have
23 to drive to Colstrip? Another, another few? Oh. Another
24 45? Golden. No?

25 BOARD MEMBER ROOSE: This is in Marianne. If

1 it's not going to be in Bozeman, I would prefer Billings
2 also.

3 CHAIRMAN WILLIAMS: Okay, Board, where do you
4 want to have it? 20th is the date.

5 BOARD MEMBER ROOSE: Billings.

6 BOARD MEMBER FREDRICKSON: This is Shawn. I'm
7 for Colstrip. I would love to go to Colstrip.

8 (Phone connection was lost.)

9 BOARD MEMBER ROOSE: Can you hear us?

10 A STAFF MEMBER: Shawn and Marianne, we can hear
11 you again. We dropped the call, but we can now hear you
12 again. Thank you.

13 BOARD MEMBER ROOSE: Thank you.

14 BOARD MEMBER FREDRICKSON: (Inaudible).

15 MS. OLSON: Motion (inaudible) review that.

16 CHAIRMAN WILLIAMS: Billings.

17 MS. OLSON: For the 20th.

18 CHAIRMAN WILLIAMS: Okay. Vote.

19 VICE-CHAIR FITZPATRICK: Yes.

20 MS. PICHETTE: Shawn Fredrickson.

21 BOARD MEMBER FREDRICKSON: Yes.

22 MS. PICHETTE: (Inaudible).

23 BOARD MEMBER HENNING: Yes.

24 MS. PICHETTE: Marianne Roose.

25 BOARD MEMBER ROOSE: Yes.

1 MS. PICHETTE: Tim Schaff.

2 BOARD MEMBER SCHAFF: (Inaudible).

3 MS. PICHETTE: Veronica Small-Eastman.

4 BOARD MEMBER SMALL-EASTMAN: (Inaudible).

5 MS. PICHETTE: Chairman Williams.

6 CHAIRMAN WILLIAMS: Yes. Reluctantly. I think
7 we need to (inaudible) folks (inaudible) my comments.

8 Okay. Are there any other matters that need to come
9 before the attention of the Board?

10 MS. PICHETTE: Mr. Chairman, I do have some forms
11 for the Board to fill out that I can hand out to you.

12 CHAIRMAN WILLIAMS: Okay.

13 MS. PICHETTE: Marianne and Shawn, we'll e-mail
14 them to you.

15 BOARD MEMBER ROOSE: Okay. Thank you.

16 CHAIRMAN WILLIAMS: Our numbers haven't, hasn't
17 changed. 427,263 remaining appropriation; correct? So
18 (inaudible) stuff (inaudible) go ahead and adjourn the
19 meeting. (Inaudible).

20 A STAFF MEMBER: Mr. Chair, just one -- just a
21 comment on what, the documents that you are being handed
22 out at this time. The Department of Commerce is making
23 available state email accounts for board members. That
24 way we can improve some of the communication. This is an
25 option for you to do that so we can have consistent

1 communication and ensure that you're getting all the
2 communication you need regarding the Board.

3 And then the other thing I just wanted to comment on
4 that was discussed earlier in the meeting is the website
5 and information being available that is in the binder,
6 which is also made available at the table in the meeting
7 room to the public. So we have started, as of the
8 December meeting, putting all the information that is in
9 the Board binder -- up to the applications. We do not put
10 the application information up on the website. But all of
11 that information has been being put up on a regular basis.
12 And you can find that under each meeting.

13 For example, there was a question about the Budget and
14 Project Update tab which had that revenue history and some
15 of the other information. That is on the website. It has
16 been on the website. So if you're on the phone or if
17 you're looking for where that is, you go to the Coal Board
18 meetings, you click on the meetings, and you'll see each
19 PDF for those sections of the, of the binders. So that's
20 available for those that are on the phone.

21 BOARD MEMBER SCHAFF: Mr. Chairman, I've got one
22 more thing.

23 CHAIRMAN WILLIAMS: Okay.

24 BOARD MEMBER SCHAFF: I've talked with Jennifer.
25 We have a lot of open contracts out there that don't seem

1 to be moving at all, and I would like to see those people
2 that have contracts and -- well, one of them's in my
3 county. They spent 2,000 out of 280,000 or something that
4 we granted them. I would like to see them do some kind of
5 report and tell us why some of those aren't moving
6 forward.

7 CHAIRMAN WILLIAMS: Sure.

8 Okay. Are there any other matters that need to come
9 before the attention of the Board?

10 Okay. Thank you all. I'll adjourn the (inaudible).

11 BOARD MEMBER ROOSE: Thank you.

12 CHAIRMAN WILLIAMS: Yeah, thanks, Marianne and
13 Shawn, (inaudible) on the, on the line. Thank you all,
14 Board Members.

15 BOARD MEMBER FREDRICKSON: Thank you,
16 Chairman Williams. Thank you (inaudible).

17 (End of recording.)

18 * * * * *

STATE OF MONTANA)
) ss.
COUNTY OF LEWIS AND CLARK)

That the foregoing proceedings were transcribed into typewriting by me from a recording; and that the -175- pages contain a true record of the proceedings to the best of my ability, taking into consideration the quality of the recording.

/s/Cheryl A. Romsa
CHERYL A. ROMSA